

EXHIBITS

accompanying the submission

to

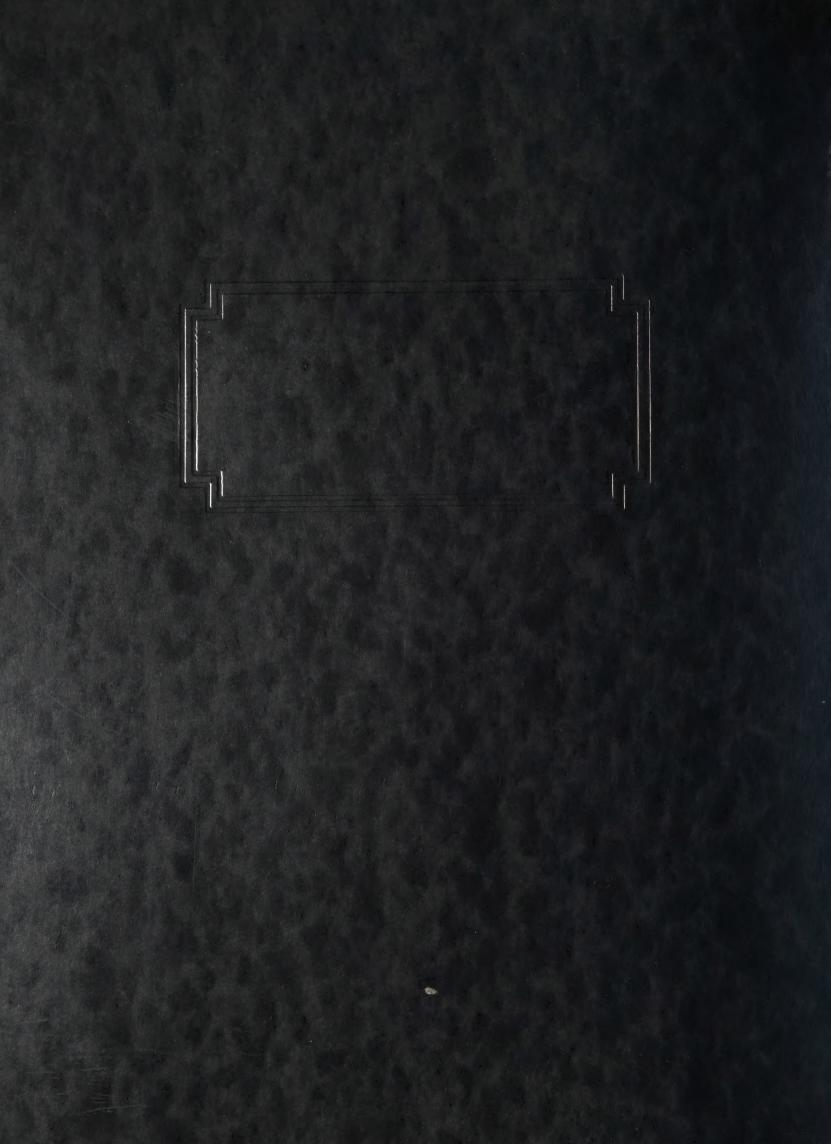
ROYAL COMMISSION ON ENERGY

by

Department of Mines and Minerals

Calgary, Alberta - February 3, 1958

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# Exhibits to the Submission to ROYAL COMMISSION ON ENERGY by Department of Mines and Minerals

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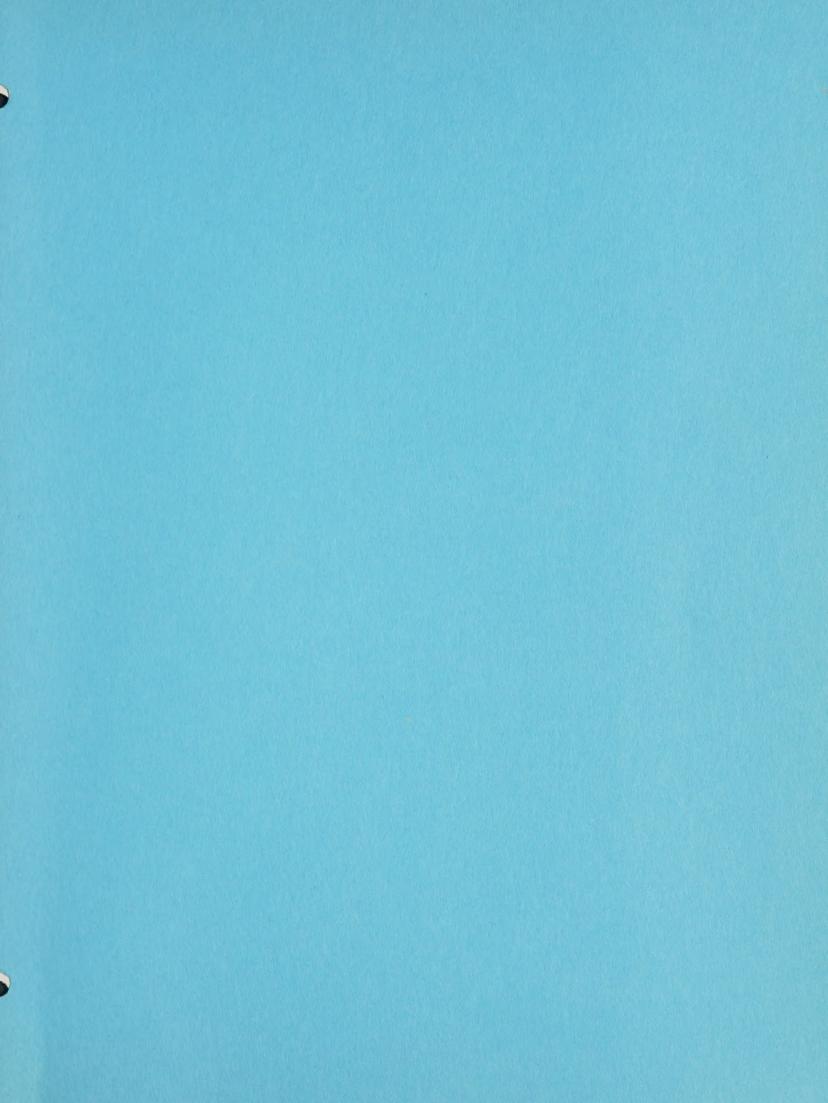
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Map showing areas in which certain lands were granted to Hudson's Bay Company and railway companies and railway lands consolidations.

( Not included )







#### THE MINES AND MINERALS ACT

#### **CHAPTER 204**

# An Act respecting Mines and Minerals

1. This Act may be cited as "The Mines and Minerals Short title [1949, c. 66, s. 1] Act".

#### Interpretation

**2.** (1) In this Act,

Interpreta-

(a) "adjoining claims" means those claims that come "adjoining into contact one with the other at some point on the boundary lines, or that share a common boundary;

(b) "agreement" means any lease, licence, reservation, "agreement" permit or other agreement made or entered into under the provisions of this Act, The Provincial Lands Act or the Dominion Lands Act;

(c) "brine" or "saline solution" means an aqueous "brine" or solution of mineral salts occurring in a natural solution" state and containing more than one per cent of mineral salts in solution;

(d) "cause" includes any suit or action;

(e) "certificate of title" means a certificate granted pur- "certificate suant to The Land Titles Act;

(f) "Department" means the Department of Mines and "Depart-Minerals:

(g) "Director of Mineral Rights" means the officer of "Director the Department who bears the designation of Director of Mineral Rights" tor of Mineral Rights, or any officer appointed to perform his duties for the time being;

(h) "Director of Mines" means the officer of the Depart- "Director ment who bears the designation of Director of of Mines' Mines, or any officer appointed to perform his duties for the time being;

(i) "disposition" means every instrument executed pur- "disposisuant to the provisions of this Act, The Provincial tion Lands Act or the Dominion Lands Act, whereby any estate, right or interest in any mineral is or has been granted to any person or by which the Crown divests or has divested itself in favour of any person of any estate, right or interest in any mineral and, without derogating from the generality of the foregoing, includes all letters patent, transfers, deeds, conveyances, notifications, assurances, sales, leases, licences, permits, reservations, contracts and agreements made, entered into or issued pursuant to any of the said Acts;

"ditch"

(j) "ditch" includes a flume, pipe or race, or other artificial means for conducting water by its own weight, to be used for mining purposes;

"document"

(k) "document" means any assignment, transfer, bill of sale, or other writing, that may in any way affect the title of a mineral claim:

"grant"

(l) "grant" means letters patent under the Great Seal of Canada and notification issued pursuant to *The Provincial Lands Act* and this Act;

"judgment"

(m) "judgment" includes "order" or "decree";

"legal post"

- (n) "legal post" means a stake or post of any kind
  - (i) is of sound timber of sufficient length so that when firmly planted in the ground in an upright position not less than four feet of the post is above ground, or a tree of suitable size found in position, and made into a post by cutting the tree off not less than four feet from the ground,
  - (ii) is of such diameter that when squared or faced for eighteen inches from the upper end, each face of the squared or faced portion is at least four inches in width across the face for the full eighteen inches, and
  - (iii) has a mound of stones or earth erected around the base of the stake or post, not less than three feet in diameter on the ground and not less than eighteen inches high, cone-shaped and well constructed;

"lessee"

(o) "lessee" means the holder according to the records of the Department of a lease, licence, reservation, permit or other agreement;

"location"

(p) "location" means the tract described in any agreement;

"location

(q) "location line" means the straight line between Posts No. 1 and No. 2;

"manager"

(r) "manager" means the person responsible for the control, management and direction of a mine or quarry, or portion of a mine, quarry or works;

"mine"

- (s) the noun "mine" includes
  - (i) any opening or excavation in, or working of, the ground for the purpose of winning, opening up or proving any mineral or mineral-bearing substance, and
  - (ii) any ore body, mineral deposit, stratum, soil, rock, bed of earth. clay, sand, gravel or cement, or place where mining is or may be carried on, and all ways, works, machinery, plant, buildings and premises below or above ground belonging to or used in connection with the mine, and

- (iii) for the purpose of Parts II and III, any quarry, excavation or opening in the ground made for the purpose of searching for or removal of mineral, soil, rock, quartz, limestone, earth, clay, sand, gravel or cement, and any roastyard, smelting furnace, mill, work or place used for or in connection with crushing, reducing, smelting, refining, or treating any of the said substances;
- (t) the verb "mine" and the word "mining" includes

"mine"
"and mining"

- (i) any mode or method of working whereby the soil or earth or any rock, stone or quartz can be disturbed, removed, washed, sifted, roasted, smelted, refined, crushed or dealt with for the purpose of obtaining any mineral there-from, whether the same has been previously disturbed or not, and
- (ii) for the purposes of Parts II and III, all operations and workings mentioned in clause (s);

(u) "mineral" means all naturally occurring minerals, "mineral" and without derogating from the generality of the foregoing, includes

- (i) gold, silver, uranium, platinum, pitchblende and other minerals from which radium is or can be obtained, precious stones, copper, iron, tin, zinc, asbestos, salt, sulphur, petroleum, oil, asphalt, tar sands, natural gas, coal, limestone, granite, slate, shale, marble, sandstone and any other stone that is or that can be quarried or otherwise mined for any purpose, sand, gravel, gypsum, clay, marl and volcanic ash, but
- does not include sand and gravel that belong to the owner of the surface of land under The Sand and Gravel Act;
- (v) "mineral claim" means any tract staked out and "mineral claim" acquired under the provisions of Part II or Part
- (w) "mining property" means any land in which any "mining vein, lode, rock in place, or any natural stratum or bed of earth, gravel or cement is mined for any mineral, and includes every mineral claim, ditch or water right used for mining purposes, and all other things belonging to a mine or used in the working thereof:
- (x) "Mining Recorder" means an officer of the Depart- "Mining Recorder" ment who bears that designation, or an officer appointed to perform any of the duties of the Mining Recorder:
- (y) "Minister" means the Minister of Mines and Min- "Minister" erals;

#### Chap. 204

#### MINES AND MINERALS

"notification" (z) "notification" means the direction in Form A in the Schedule, to the Registrar for the issue of a certificate of title;

"officer"

(aa) "officer" means any person appointed under the provisions of *The Public Service Act*, in connection with the administration of this Act;

"owner"

(bb) "owner" when used in Part II or Part III of this Act means the holder according to the records of the Department of a mineral claim;

"quarry"

(cc) "quarry" means any open-pit or excavation in the ground made for the purpose of removing sand, gravel or any mineral, other than coal, and includes all works, machinery, plant, buildings and premises below or above ground belonging to or used in connection with the quarry;

"record",
"register"
and "registration"

(dd) "record", "register" and "registration" have the same meaning, and mean an entry in some official book kept for that purpose;

"Registrar"

(ee) "Registrar" means a Registrar within the meaning of *The Land Titles Act*;

"royalty"

(ff) "royalty" means all royalties, dues, interest, fees, rates, charges, or other moneys payable by any person to the Crown in the right of the Province under and by virtue of any sale, lease, licence, permit or privilege for the right to win and work minerals;

"township",
"section",
"halfsection",
"quartersection"
and "legal
subdivision"

- (gg) "township", "section", "half-section", "quarter-section" and "legal subdivision", respectively, mean a township, section, half-section, quarter-section or legal subdivision, as the case may be, within the meaning of *The Alberta Surveys Act*.
- (2) Whenever the singular or masculine or neuter is used in any agreement made or entered into under the provisions of this Act, or the regulations hereunder, the same shall be construed as meaning the plural or feminine or a body politic or corporate where the context or the parties thereto so require.

[1949, c. 66, s. 2; 1950, c. 42, s. 1; 1951, c. 52, s. 2; 1955, c. 37, s. 3]

#### Application of Act

Minerals in Crown lands 3. This Act applies to all mines, minerals and generally to other related natural resources vested in or belonging to the Crown in the right of the Province and where the context so permits or requires to all mines, quarries and metallurgical works in the Province. [1949, c. 66, s. 3]

School minerals

- **4.** This Act applies to all minerals set apart as an endowment for the purposes of education, which are designated school minerals, and are
  - (a) the minerals that were comprised in school lands on the twenty-sixth day of March, 1946, and

(b) the minerals vested in or belonging to the Crown in the right of the Province in sections eleven and twenty-nine in every township or part thereof as indicated on the plan of survey approved and confirmed by the Director of Surveys after the twentysixth day of March, 1946.

[1949, c. 66, s. 4; 1951, c. 52, s. 3]

- 5. (1) Except as otherwise provided, this Act does not coal mines and wells apply
  - (a) to the working and operating of a coal mine or to any working incidental to the extraction of coal by the removal of the overlying strata, or
  - (b) to any drilling, production or abandonment operation of a well for which a licence is required by the provisions of The Oil and Gas Resources Conservation Act.
- (2) If any question arises, otherwise than in legal proceedings, whether a mine is a mine to which this Act, The Coal Mines Regulation Act, or The Oil and Gas Resources Conservation Act applies, the question shall be referred to the Minister, whose decision thereon is final.

[1949, c. 66, s. 5; 1950, c. 42, s. 2; 1954, c. 65, s. 2; 1955, c. 37, s. 2

6. Nothing in this Act applies to or affects the disposition Surface of land by sale, lease, licence or permit, or in any other manner, of the surface of any land under The Public Lands Act or under any other Act or regulation or order of the Lieutenant Governor in Council respecting the sale and disposal of the surface of such land. [1949, c. 66, s. 6]

- 7. (1) Notwithstanding anything contained in any lease, Crown licence, permit, reservation, mineral claim or other agree-minerals ment relating to minerals, whether made under the provisions of this Act or the Dominion Lands Act or The Provincial Lands Act and the regulations made under the said Acts, every such lease, licence, permit, reservation, mineral claim or other agreement and any renewal or re-issue thereof is in every respect subject to the provisions of this Act and of any regulation made from time to time or at any time under the authority of this Act.
- (2) Every such provision is as binding upon the lessee, licensee, permittee or other party as though the said provision had been contained in his lease, license, permit, reservation, mineral claim or other agreement.

[1949, c. 66, s. 7; 1951, c. 52, s. 4]

#### Division of Act

8. For convenience of reference only, this Act is divided Division of into Parts and classified under the following headings:

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### PART I

#### ADMINISTRATION OF MINERALS

c.

#### Jurisdiction of Department

9. The Department of Mines and Minerals shall have Jurisdiction jurisdiction over and shall control and administer all matters ment anywise connected with the application of this Act and. without restricting the generality of the foregoing, shall control and regulate, receive and administer, or invoke and enforce, as the case may be,

- (a) all the rights, properties, interests, claims and demands of the Province in mines and minerals and their uses and dispositions for development,
- (b) all revenues and moneys of the Province arising from mines and minerals,
- (c) rules and regulations relating to operation of mines, including working conditions and any other matter incidental to the extraction of minerals,
- (d) conservation of sub-surface natural resources.
- (e) prevention of fires and explosions,
- (f) disposition of sub-surface natural resources held by the Crown by notification, sale, exchange, lease, licence, permit, reservation or other agreement,
- (g) extraction, classifying, measuring, manufacturing or processing of the raw or manufactured products or by-products of sub-surface natural resources,
- (h) statutes, rules and regulations relating to the protection, management and administration of the natural resources covered by this Act,
- (i) the exploration of the mineral resources and development of any mining property,
- (j) geophysical operations including air-borne magnetic surveys and geological explorations by
  - (i) prohibiting any person from commencing or undertaking any geophysical operations or any examination of the subsurface geology in the Province unless he is licensed so to do by the Minister,
  - (ii) prescribing the nature and extent of the licence and the terms upon which it shall be issued, and
  - (iii) prescribing the fees to be charged and cash bonds required upon the granting of the licence,

and

(k) disposition of any mineral vested in the name of the Minister of Municipal Affairs, or vested in the name of a municipality and passed to the control of the Minister of Municipal Affairs.

[1949, c. 66, s. 9; 1953, c. 75, s. 2; 1955, c. 37, s. 4]

#### Officers

Officer#

- **10.** (1) Subject to the provisions of *The Public Service Act*, the Lieutenant Governor in Council may appoint a Director of Mineral Rights, a Provincial Geologist, a Provincial Assayer, inspectors, mining recorders and such other officers and agents as he may deem necessary, who shall perform such duties as may be assigned to them.
  - (2) The Provincial Geologist is *ex officio* in inspector. [1949, c. 66, s. 10; 1951, c. 52, s. 6; 1955, c. 37, s. 5]

**11.** Notwithstanding anything in *The Public Service Act*, the Minister may employ any person for any specialized service or to investigate the mineral resources of Alberta or for any work in connection with this Act and may, out of any money appropriated by the Legislature for that purpose, pay him for such services at such rate as may be agreed upon. [1949, c. 66, s. 11; 1951, c. 52, s. 6; 1955, c. 37, s. 5]

#### Powers and Duties of Minister

- 12. The Minister may from time to time prescribe such Forms forms to be used under this Act as he deems necessary in connection with its administration, or he may adopt or cause to be adopted any other form that he considers applicable to any special case. [1949, c. 66, s. 12]
- 13. All agreements issued or made pursuant to the pro- Execution of visions of this Act may be executed on behalf of the Crown agreements by the Minister or the Deputy Minister, or by any other officer of the Department authorized in writing for the purpose by the Minister. [1949, c. 66, s. 13]

- 14. The Minister shall annually lay before the Legisla- Annual tive Assembly, within fifteen days after the opening of the report first session in each year.
  - (a) a report of the proceedings, transactions and affairs of the Department during the fiscal year next preceding, and
  - (b) a copy of every regulation and order made by the Lieutenant Governor in Council under the authority of this Act. [1949, c. 66, s. 14]
- 15. The Minister may refuse or withhold the issue of a Refusal or lease or a renewal thereof, and may cancel a lease issued in cancellation of lease error and, in his discretion, may refund moneys paid in connection therewith. [1949, c. 66, s. 15]

- 16. The Minister may restrict the disposition of any Restriction specific mineral in any particular district in any manner he disposition may consider warranted. [1949, c. 66, s. 16]
- 17. Any decision of an officer of the Department made Appeal under any of the provisions of this Act shall be subject to an appeal to the Minister. [1949, c. 66, s. 17]
- 18. (1) Whenever it is deemed necessary in the opinion Cash of the Minister for the proper carrying out of any of the provisions of this Act relating to the commencement of work, operating and working or abandonment of any mineral claim or location, he may at any time by notice in writing require any owner, lessee or operator to furnish cash security in such amount as he may prescribe, and such security shall be retained until the work is completed to the satisfaction of the Minister.

(2) Upon failure by such owner, lessee or operator to comply fully with the requirements of the Minister within the time prescribed and as set forth in the notice, the Minister may use the cash security or such portion thereof as may be necessary to carry out such requirements.

[1949, c. 66, s. 18]

#### Powers of Lieutenant Governor in Council

Powers of the Lieutenant Governor in Council

- 19. (1) The Lieutenant Governor in Council may from time to time
  - (a) exchange any minerals for other minerals in the Province, with any person or corporation, if the reason for the exchange is set forth in the order,
  - (b) authorize the Minister to enter into an agreement applicable to any special case for which no provision is made by this Act,
  - (c) make regulations,
    - (i) in relation to the exploration of the mineral resources,
    - (ii) respecting development of any mining property to which this Act applies,
    - (iii) relating to the operation of mines, including working conditions and any other matter incidental to the extraction of minerals, and
    - (iv) for the leasing or other disposal of any minerals for which no provision is made by this Act,
  - (d) withdraw any mineral from disposition either indefinitely or for such period as may be specified in the order or until the order is cancelled,
  - (e) provide that any statement or return required by this Act or by any regulations made under it be verified on oath,
  - (f) divide the Province into districts and prescribe the time when and the conditions upon which the mineral in any district or any part thereof will be made available for disposition,
  - (g) establish a tariff of fees
    - (i) pertaining to any lease, licence, reservation, permit, mineral claim, application, renewal or other agreement,
    - (ii) for the registration of assignments,
    - (iii) for the filing and discharge of mechanics' liens,
    - (iv) for all copies of maps, plans, field notes, documents, papers or other records of the Department, and
    - (v) for consenting to sub-leases, farm-outs or other contracts conveying any right granted to the lessee in an agreement.

- (h) reinstate upon such terms and conditions as may be prescribed, any agreement, lease, licence or permit that has been relinquished, cancelled or forfeited, if the rights are available and if application for reinstatement is made within six months of the date of relinquishment, cancellation or forfeiture,
- (i) make such regulations and orders, not inconsistent with this Act, as are necessary to carry out the provisions of this Act according to their true intent or to carry out the agreement of transfer, or to meet cases that may arise and for which no provision is made by this Act,
- (j) authorize the Minister to enter into any agreement or agreements with Her Majesty in the right of Canada transferring to Canada for National Park purposes all the right, title and interest of Her Majesty in the right of the Province to any mines and minerals, and
- (k) notwithstanding section 4, exchange any school minerals for other minerals in the Province with any person or corporation, if the reason for the exchange is set forth in the order.
- Where a mineral is withdrawn from disposition pursuant to clause (d) of subsection (1), no person, during the continuance of the order, has the right to acquire such mineral in, upon or under the lands specified in the order, or to exercise in relation to such mineral any of the rights conferred by this Act.
- (3) Where school minerals are exchanged for other minerals pursuant to clause (k) of subsection (1), the school minerals so exchanged are no longer school minerals and the other minerals become school minerals.

[1949, c. 66, s. 19; 1950, c. 42, s. 3; 1951, c. 52, s. 7; 1952,

c. 55, s. 2; 1953, c. 75 s. 3]

20. Regulations and orders made by the Lieutenant Gov- Regulations ernor in Council pursuant to this Act shall be published in The Alberta Gazette and thereupon have the same force and effect as if they had been enacted by this Act. [1949 c. 66, s. 20]

#### **Duties of Mining Recorder**

21. Every Mining Recorder shall keep the books pre-Duties of scribed by the Minister to be used for the recording of Recorder applications, mineral claims, entries and locations of mineral rights granted by the Minister to be used for the recording of Recorder applications, mineral claims, entries and locations of mineral rights granted by the Minister to be used for the recording of Recorder applications, mineral claims, entries and locations of mineral rights. eral rights granted by this Act, and an extract of such applications, mineral claims and entries shall be filed with the Deputy Minister at such times as he may prescribe. [1949, c. 66, s. 21]

22. Every entry made in any of the Mining Recorder's Inspection of records books shall show the date upon which the entry is made, and

such books of records as are authorized by the Minister shall, during office hours, be open to public inspection upon payment of a fee in connection with each search.

[1949, c. 66, s. 22]

Remission of fees

23. The Mining Recorder shall obtain the moneys directed to be paid to him before he makes any entry in any record book and shall remit such moneys as he may be directed by the Minister to remit. [1949, c. 66, s. 23]

#### Disposition of Minerals

Sale of minerals

**24.** (1) No mineral belonging to the Crown in the right of the Province, together with the right to win, work and get the same, shall be sold unless the sale is specifically authorized by the provisions of an Act of the Province.

Title to minerals

- (2) When any person becomes entitled to receive a title in fee simple to any minerals to which this Act applies and for which no certificate of title is registered in the land titles office, a notification in Form A in the Schedule shall be issued, which shall be
  - (a) signed by the Minister or by the Deputy Minister or the person for the time being acting as Deputy Minister or by any other officer of the Department authorized for the purpose by the Minister in writing,
  - (b) countersigned by the Director of Mineral Rights or any person acting as Director in his absence, and
  - (c) forwarded to the Registrar for the district in which the minerals are situate.
- (3) Before issue of the notification the person entitled to receive the notification shall pay to the Minister the prescribed fee payable under *The Land Titles Act*.
- (4) The Minister shall forward the fee paid together with the notification to the Registrar of Land Titles for the district in which the minerals are situate.
- (5) When a notification issues to or in the name of a person who is dead, the notification is not void for that reason but the title to the minerals thereby granted or intended to be granted, vests in the heirs, assigns, devisees or other legal representatives of the deceased person according to the laws in force in the Province as if the notification had issued to or in the name of the deceased person during his lifetime.
- (6) When a notification has issued to or in the name of a wrong person or contains any clerical error, misnomer, or wrong or defective description of the minerals thereby intended to be granted, or when there is in it an omission of the conditions of the grant or certificate, the Minister, if there is no adverse claim, may direct the defective notification to be cancelled and a correct notification to be issued instead.

(7) The correct notification shall relate back to the date of the notification cancelled and has the same force and effect as if issued at the date of the cancelled notification.

[1949, c. 66, s. 24]

**25.** (1) Where by letters patent

Letters patent

- (a) the surface of land and a mineral or minerals in the land were granted, and
- (b) an area or strip of land was excepted or reserved for a road, roadway or trail,

the letters patent shall be deemed for all purposes to have conveyed such mineral or minerals underlying the road, roadway or trail.

- (2) Subsection (1) does not apply to a mineral or minerals granted by other letters patent before the first day of October, 1930, or by notification before the first day of May, 1951, whether before or after the letters patent referred to in subsection (1).
- (3) Where, under subsection (1), doubt arises as to whether an exception or reservation of an area or strip of land was for a road, roadway or trail, the Minister shall rule thereon and his ruling when delivered in writing to the Registrar is final. [1955, c. 37, s. 6]
- 26. (1) Where land that included any minerals was Minerals underlying transferred to or expropriated by the Crown and the land roadway was used or intended to be used for a road diversion or roadway or for the purposes of obtaining gravel, the Minister, upon application to him for the acquisition of the minerals or any of them, may in his discretion grant the application on payment of such sum as he may determine.

- (2) When an application is granted pursuant to subsection (1), the applicant becomes entitled to receive a title in fee simple to the mineral or minerals that the application is granted for. [1955, c. 37, s. 6]
- 27. No person has any right to enter, locate and prospect Right of for minerals or stake out a mining claim upon any land prospect owned or occupied by any other person unless he has the written consent of the owner, or his agent, or of the occupant of the land. [1949, c. 66, s. 25]

28. Notwithstanding section 5, any person who has the Right to right to any mineral or the right to work the same may through work through any other mineral in the same tract to the other minerals extent necessary to obtain his mineral, without permission from or compensation to any other person for the right to work through the other mineral, subject, however, to the provisions of this Act, The Coal Mines Regulation Act, The Oil and Gas Resources Conservation Act, and The Quarries Regulation Act. [1951, c. 52, s. 8; 1955, c. 37, s. 2]

Right to work through minerals outside of tract 29. Notwithstanding section 5, any person who has the right to any mineral or the right to work the same in a tract and who has obtained a licence from the Minister, under The Oil and Gas Resources Conservation Act, to drill a well for the removal of the mineral may, if the orifice of the well will be located outside of the tract, work through all minerals outside of the tract to the extent necessary to obtain his mineral for the removal of which the licence was granted, without permission from or compensation to any other person for the right to work through the minerals outside of the tract, subject, however, to the provisions of this Act and The Oil and Gas Resources Conservation Act. [1953, c. 75, s. 4]

Conduct of operations

**30.** An applicant for a lease has no right to conduct operations on the location applied for until a lease in his favour has been issued or unless otherwise notified in writing by the Director of Mineral Rights.

[1949, c. 66, s. 26]

Priority of

31. If in consequence of any error in survey or other error or cause whatsoever an agreement is found to cover any mineral included in any grant, sale, lease, licence, permit or other document of prior date, the latter agreement is void in so far as it interferes with any previous grant, sale, lease, licence, permit or other agreement.

[1949, c. 66, s. 27]

Assignment of portion of lease, etc.

**32.** Upon the registration of an assignment of a divided portion of a lease, licence, permit, instrument or document, there shall be issued to the assignee a substitutional lease, licence, permit, instrument or document conforming with and subject to the provisions of this Act and any regulations made under authority of this Act and in force at the time of the registration of the assignment. [1949, c. 66, s. 28]

Implied reservations

33. There shall be implied in every disposition of minerals pursuant to this Act any and all reservations that are required to be made upon the disposition of any minerals belonging to the Crown in the right of the Province.

[1949, c. 66, s. 29]

Royalty

- **34.** (1) A royalty is reserved to Her Majesty on the mineral that may be won, worked, recovered or obtained pursuant to any agreement or mineral claim made under this Act.
- (2) The royalty to be computed, levied and collected on the mineral won, worked, recovered or obtained pursuant to any agreement or mineral claim made under this Act or *The Provincial Lands Act* shall be the royalty prescribed from time to time by the Lieutenant Governor in Council.
- (3) Where the payment of a royalty has been reserved to the Crown in the right of Canada in any patent, agree-

ment for sale, lease or other agreement that conveys a mineral or the right to win, work, recover or obtain the same, there is payable to Her Majesty in the right of the Province, and there shall be computed, levied and collected,

- (a) the royalty prescribed from time to time by the Lieutenant Governor in Council in accordance with the terms of the agreement between the Province and Canada referred to in the Schedule of The Alberta Natural Resources Act, being chapter 21 of the Statutes of Alberta, 1930, or
- (b) the royalty at the rate in effect immediately prior to the coming into force of the agreement between the Province and Canada referred to in clause (a).
- (4) The royalty is payable on any mineral when and where obtained, recovered or produced.
- (5) When fixing the royalty on any mineral, including any liquid hydrocarbon other than crude oil, the Lieutenant Governor in Council may give consideration to the costs incurred in recovering or processing the mineral or liquid hydrocarbon and for the purpose of ascertaining the actual costs may refer the question to the Board of Public Utility Commissioners.
- (6) For the purpose of this section "mineral", in addition "Mineral" to the meaning set out in clause (u) of subsection (1) of defined section 2, includes any hydrocarbon obtained by mining, separation, absorption or polymerization, or as a result of some operation or work, labour, study or skill, or through chemical reaction, or by means of any other process or reaction. [1949, c. 66, s. 30; 1950, c. 42, s. 4; 1954, c. 65, s. 3]

35. (1) Notwithstanding section 5, where mining has Removal of been carried on or excavations made in or upon any lands, machinery, etc. if the work has ceased, no person shall remove or cause or permit to be removed from the land occupied in connection with the mining operations, any machinery, tools, plant, building, erections or fixtures without the written authority of the Minister first had and obtained.

- (2) When applying for such authority from the Minister, the applicant shall satisfy the Minister that all excavations on the lands have been filled or covered over in such a manner that the land is safe to travel over and that the removal, for which authority is asked, will not impair any of the supports, timbers or frameworks in such a manner as might cause the mine to fall, cave in or give way.
- (3) A person contravening the provisions of subsection (1) is guilty of an offence and liable on summary conviction to a fine of not less than five hundred dollars nor more than two thousand dollars.

[1949, c. 66, s. 31]

### Lien for Rental or Royalty

Enforcement of lien

- **36.** (1) Where, under the provisions of this Act, The Provincial Lands Act or the Dominion Lands Act, the right to any minerals has been granted by lease, licence, permit, sale or any other disposition and, pursuant to any such Act or the regulations thereunder, there is reserved by such disposition or otherwise to the Crown any rental or royalty with respect to any such minerals, the Crown in the right of the Province, has from the time when any such rental or royalty becomes due and owing a lien or charge upon
  - (a) the interest of the grantee in the minerals granted by any such lease, licence, permit, sale or other disposition, and
  - (b) all the buildings, tipples, structures, machinery, chattels, tools or equipment of every kind or description upon or under the surface of the lands described in any such lease, licence, permit, sale or other disposition and used in connection with the winning or recovery of any minerals, or in the search for any minerals,

irrespective of who may be the owner of same, for the amount of such rental and royalty and any interest or penalty added thereto pursuant to the provisions of such Act or regulations.

- (2) The lien or charge is a first lien or charge upon all the property described in subsection (1) and has priority over all mortgages, bills of sale, charges and liens of every description, irrespective of whether such other charges were created before or after such liens or charges became effective or before or after the passing of this Act and notwithstanding the provisions of any other Act heretofore or hereafter passed.
- (3) So long as the lien or charge created by subsection (1) continues, no person shall remove or authorize or assist in the removal of any property that is subject to the said lien or charge from the premises where it is situate until he pays to the Minister all amounts owing under the said lien or charge.
- (4) A person contravening the provisions of subsection (3) is guilty of an offence and liable on summary conviction before a magistrate to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding six months or to both fine and imprisonment.
- (5) Before any machinery, chattels, tools or equipment are placed upon a location, the Minister may agree in writing that the lien or charge created by subsection (1) is not to arise in respect thereof or of any portion thereof.
- (6) After any machinery, chattels, tools or equipment have been placed upon a location, the Minister may in writing authorize the removal thereof or any portion thereof, and thereupon the lien or charge upon the same absolutely ceases and determines.

- (7) Any person purchasing or otherwise acquiring any of the property described in subsection (1) takes the same subject to any lien or charge then existing against it and arising under the provisions of subsection (1) and shall be deemed to be indebted to the Crown in the right of the Province in a sum equal to the rentals or royalties, including interest and penalties thereon, owing to the Crown with respect to the said property or any part thereof.
- (8) Any rentals or royalties with interest and penalties thereon imposed pursuant to any of the said Acts or the regulations and unpaid may be recovered in any court of competent jurisdiction by action in the name of the Minister against the person primarily liable therefor or against a purchaser of the property described in subsection (1).
- (9) Whenever any lien or charge is created by subsection (1) and it appears
  - (a) that default has been made by an employer in the payment of assessments pursuant to the provisions of The Workmen's Compensation Act, and
  - (b) that the Workmen's Compensation Board has a lien on property of the employer to which the lien created by subsection (1) attaches,

the Minister may ascertain the amount of the assessments in default, and that amount may be added to the amount due to the Crown and secured by the lien or charge, and is recoverable as provided by this Act.

- (10) Any moneys so recovered shall be applied firstly toward the payment of royalties and then pro rata on the claim of the Workmen's Compensation Board, and the other claims of the Crown secured by the lien until the same are paid in full, the balance, if any, to be distributed by the Minister to the persons entitled thereto.
- (11) In addition to any other remedy herein provided, the Minister may proceed in accordance with the provisions of section 37 in so far as the same refers to rents, royalties, interest and penalties payable in respect of any mines and minerals and, if a bid amounting to the sums due as aforesaid is not made at the auction, the property may be disposed of at a private sale. 1949, c. 66, s. 32; 1955, c. 37, s. 7

#### Seizures

37. (1) Notwithstanding anything to the contrary in Seizures in The Seizures Act or any other Act, where any default is default of made in the due payment of any rent or any money payable payment by way of rent or on account of royalty, or on account of any royalty, etc. purchase price, and payable to the Crown in the right of the Province under and by virtue of any lease, licence, permit, agreement of sale or other disposition made, entered into or issued pursuant to any of the provisions of this Act, The Provincial Lands Act or any Act of the Parliament of Canada, then, and in every such case and whether the same is demanded or not, the Crown has the right to levy the same by distress.

- (a) in case the sum for which distress is levied is for rent and royalty, or either of them, payable in respect of any mines and minerals, upon all or any of the goods and chattels that are then found in, on or about any property used or occupied for the purpose of the operation of any mine, or the mining and getting of any minerals, as the case may be, notwithstanding that the same may be subject to any mortgage, lien or other encumbrance, if the mine or minerals are held under any lease, licence, permit, agreement of sale or other disposition from the Crown, by the person liable for the payment of the sum for which the distress is made or by any other person claiming by, through or under him, and
- (b) in all other cases, upon all or any of the goods and chattels that are then found upon any land whatsoever and that is for the time being owned by or in the occupation of or under the control of the person for the time being liable for the payment of the rent or purchase price in respect of which the distress is levied, notwithstanding that the same may be subject to any mortgage, lien or other encumbrance.
- (2) For the purpose of levying any distress under this section, the Minister may, for and on behalf of the Crown, issue a distress warrant under his hand, addressed to the sheriff of the judicial district within which is situate the premises upon which the distress is to be made, and directing him to levy by distress the sum mentioned therein upon the goods and chattels found upon the premises specified therein, and upon receipt of any such warrant the sheriff shall execute it by the seizure and, unless he is sooner paid, by the sale of the goods and chattels seized, and every such seizure and sale is subject to the provisions of *The Seizures Act*.
- (3) The forfeiture, cancellation or surrender of a lease, licence, permit, agreement of sale or other disposition does not debar or nullify any proceedings taken under this section, whether before or after the occurrence of the forfeiture, seizure or cancellation, and all proceedings taken shall be continued as if the lease, licence, permit, agreement of sale or other disposition were in force and effect.

[1949, c. 66, s. 33]

Report as to mining property subject to forfeiture

- **38.** (1) When any mining property comprising minerals or improvements becomes subject to forfeiture under section 42 the Minister shall require an officer of the Department to make a report in writing regarding the mining property and the nature and extent of the minerals recovered and the improvements made.
- (2) Upon the receipt of any such report and upon being satisfied thereby that the property is liable to confiscation to the Crown, the Minister may by writing declare the property

confiscated, and thereupon the property becomes the property of the Crown and all rights of property existing therein immediately before the making of the order cease and determine.

(3) The Minister may cause the property to be sold in such manner and subject to such terms and conditions as he may prescribe or he shall order the return of the property to the person in whose possession it was at the time of seizure. 1949, c. 66, s. 34; 1951, c. 52, s. 9.

#### **Evidence**

- 39. Copies or photostatic copies of any records, docu- Evidence ments, plans, books or papers belonging to or deposited in the Department and attested under the signature of the Minister, Director of Mines, Director of Mineral Rights, or any chief clerk or officer thereunto authorized by the Minister, and of plans or documents in any office of a Mining Recorder, and attested as aforesaid or under the signature of the officer in charge of the office, are competent evidence in all cases in which the original documents, books, plans or papers would be evidence. [1949, c. 66, s. 35]
- 40. Lithographed or other copies of maps or plans pur- Copies of porting to be issued or published by the Department, or the Government of Canada, shall be received in evidence in all courts and proceedings as *prima facie* proof of the originals, and of the contents thereof. [1949, c. 66, s. 36]
- **41.** All affidavits, oaths, statutory declarations or solemn Affidavits affirmations required to be taken or made under this Act, except as herein otherwise provided, may be taken before the judge or clerk of any court, or any justice of the peace, or any commissioner for oaths, or any notary public, or any Mining Recorder, or any person specially authorized by this Act or by the Lieutenant Governor in Council or by the Minister to take or receive the same. [1949, c. 66, s. 37]

# Summary Proceedings Respecting Forfeiture and Trespass

- 42. (1) The winning, working or getting, without an Trespassing agreement or mineral claim, of minerals that are the property of the Crown, gives to the person winning, working or getting such minerals no right thereto and such person may be ejected as a trespasser and any minerals recovered and improvements made by him are thereupon forfeited to the Crown.
- (2) The Minister may, by notice in writing, require any person who is for the time being winning, working or getting such minerals otherwise than pursuant to an agreement or mineral claim to cease his operations forthwith.
- (3) A person who does not comply with the notice forthwith upon the service thereof upon him is guilty of an

offence and liable on summary conviction to a fine of not more than one hundred dollars and in default of payment to imprisonment for a term of not more than sixty days.

1949, c. 66, s. 38]

#### Miscellaneous

Interest on

43. When any money payable under any agreement, mineral claim, lease, licence, permit or other disposition is not paid within one month from the date on which it became due, interest shall be charged at the rate of five per cent per annum from the due date. [1949, c. 66, s. 39]

Execution of agreements

**44.** For the purposes of this Act, any agreement that is made pursuant to any of the provisions of this Act and whereby any person enters into any obligation with the Crown shall, in the case of a body corporate, be deemed to be sufficiently executed if sealed with the corporate seal of the body corporate and countersigned by one officer or two directors of the corporation, notwithstanding anything to the contrary contained in any statute, charter of incorporation, memorandum of association or articles of association. [1949, c. 66, s. 40; 1955, c. 37, s. 8]

Acceptance of rent

45. Notwithstanding the terms or provisions of any lease, licence, permit or other agreement now subsisting and made by the Province or by the Government of Canada or that may be granted pursuant to the terms of this Act, the demand or acceptance of rent or royalty in respect of any lease, licence, permit or other agreement shall not be deemed a waiver of the right of the Minister to enforce the observance of any covenant or condition therein or of any regulation or of the right to cancel the lease, licence, permit or other agreement for breach of any covenant, condition or regulation committed before or after the making of the demand or after the acceptance of the rent or royalty.

[1949, c. 66, s. 41; 1951, c. 52, s. 10; 1955, c. 37, s. 9]

Right of access

- 46. (1) The Minister or anyone authorized by him may, at any time enter upon any location or mineral claim and have access to any mine, works, well, record, plant, building and equipment, and the lessee of the location, his representative or operator, or the owner of the mineral claim, his representative or operator, shall render the Minister or person authorized such assistance as may be necessary or essential.
- (2) In the performance of any investigation or inspection, a person authorized by the Minister may at any time enter upon any lands in the Province, irrespective of who may own or occupy the lands or into any plant for the recovery, processing or treating of any mineral and the person at the time in charge of the plant or any process carried on at the plant shall render the person authorized such assistance and supply him with such information regarding the plant, its products or the mineral recovered, processed or treated, as may be requested.

[1949, c. 66, s. 42; 1953, c. 75, s. 5; 1954, c. 65, s. 4]

47. (1) Notwithstanding section 5, if the Minister has Right of reason to believe that operations on any location or mineral remedy claim are not being conducted in strict conformity with defaults the provisions of this Act, or that such operations are being so conducted as to expose others to the risk of damage or loss, he may authorize a mining inspector, or other person named by him, to enter the mine, works, plant, buildings and structures and to remain for such period or periods as the Minister may deem necessary, for the purpose of enforcing compliance with such provisions and remedying existing defaults.

- (2) The Minister may charge and may collect from the lessee of the location, or the recorded owner of the mineral claim, the expenses incurred in connection with the supervision so authorized by the Minister.
- (3) Failure on the part of the lessee of the location or the recorded owner of the mineral claim to make payment in full of the expenses so incurred renders the agreement or mineral claim subject to immediate cancellation, in the discretion of the Minister, at the expiration of a period of thirty days after the date upon which notice of such indebtedness was sent to the last known place of address of the lessee or recorded owner. [1949, c. 66, s. 43]
- 48. (1) In determining the size of a location or a min- Size of location eral claim all measurements shall be taken horizontally, ir- or claim respective of the inequalities of the surface of the ground, and the boundaries beneath the surface shall be the vertical planes or lines in which the surface boundaries lie.

- (2) In calculating distances in surveyed territory, the widths of statutory road allowances are not to be considered unless expressly included in the agreement.
- (3) In unsurveyed territory the acreage of a lease shall include that covered by what would be statutory road allowances if the lands were surveyed under The Alberta Surveys Act, and the prescribed maximum acreages and dimensions may be increased by an extent not greater than that covered by what would be statutory road allowances.

[1949, c. 66, s. 44; 1950, c. 42, s. 5]

49. (1) A company shall be deemed not to acquire an Acquisition of agreement agreement in whole or in part by application or assignment by company unless the company is

(a) registered under the provisions of *The Companies* Act of the Province,

- (b) incorporated by an Act of the Province and approved by the Minister as a company that may acquire an agreement, or
- (c) incorporated under the Bank Act (Canada).
- (2) No partnership, syndicate or other unincorporated group shall acquire an agreement in whole or in part by

application or assignment, in the name of the partnership, syndicate, or other unincorporated group.

[1949, c. 66, s. 45; 1950, c. 42, s. 6; 1954, c. 65, s. 5]

Minors

- **50.** (1) All covenants and conditions contained in or imposed by any agreement granted to any minor of the age of nineteen years or upwards are as binding upon the minor as if he were of full age.
- (2) A minor who has acquired from the Crown in the right of the Province an agreement relating to or affecting mines and minerals under the provisions of this Act shall not assign, transfer, sublet, or part with the possession of any such agreement, unless he has attained the full age of twenty-one years.
- (3) Upon attaining the age of twenty-one years, the minor shall forthwith ratify and confirm the agreement entered into by him during his minority with the Crown in the right of the Province, and failure to do so within a reasonable time after reaching his majority renders the agreement subject to summary cancellation in the discretion of the Minister. [1949, c. 66, s. 46]

Delegation of powers and duties

51. In the absence of the Deputy Minister of Mines and Minerals or the Director of Mineral Rights, all the powers, duties, rights and capacities that are by this Act vested in or conferred or imposed upon such officials are vested in, conferred and imposed upon any other person appointed or authorized by the Minister to carry on such powers, duties, rights and capacities as if such person had been named herein. [1949, c. 66, s. 47]

Inspection of records

52. The Department of Lands and Forests and the officers, clerks, and servants of the Department of Lands and Forests shall render such services to the Department of Mines and Minerals as may be required of them from time to time and all maps, books, papers, correspondence, records or other matters or things in the Department of Lands and Forests shall be open to and may be examined by the Minister or the officers and clerks of the Department of Mines and Minerals in the discharge of their departmental duties.

[1949, c. 66, s. 48]

Clearing of combustible material

53. The lessee of a location or the owner of a mineral claim shall cause to be cleared of combustible material such area around any mine, well or other works constructed or operated by him as may be required by the Director of Mineral Rights and, where necessary and practicable, the lessee or owner shall construct and maintain a ploughed fire guard around such area. [1949, c. 66, s. 49]

Fire fighting equipment

54. (1) The machinery and equipment that the lessee installs on a location or the owner installs on a mineral claim shall include suitable fire fighting equipment, which shall be maintained in a state of efficiency for immediate use in the event of fire.

- (2) Every engine operated by steam power and used on a location or mineral claim shall be provided with and have in use approved and efficient appliances to prevent the escape of fire from the furnace or ash pan or from the smoke stack of such engine, including a spark-arrester in connection with the smoke stack and such appliances shall be kept properly fitted and in a proper state of repair.
- (3) Every engineer in charge of any such engine shall use all the necessary means and appliances to prevent the escape of fire. [1949, c. 66, s. 50]
- 55. The interest of any person other than the Crown in Crown any mineral that is the property of the Crown is liable to minerals taxable assessment and taxation but it is not subject to the provisions of any statute relating to the recovery of taxes.

[1949, c. 66, s. 51]

**56.** The lessee of a location or the owner of a mineral of rates claim shall pay and discharge all rates, assessments and and taxes taxes now charged or hereafter to be charged upon the location or mineral claim. [1949, c. 66, s. 52]

57. (1) The Director of Mines may summarily order any Safety of the public mining work to be carried on so as not to interfere with or endanger the safety of the public or any employee engaged in the mining work, or any public work or highway, or any mining property, mineral claim, drain or flume.

- (2) The Director of Mines may order any person either to fill up or to guard any abandoned mine or works in such manner as the Director deems proper. [1949, c. 66, s. 53]
- 58. (1) All moneys realized from school minerals after Money realized deducting the cost of management shall be paid annually from school minerals into the General Revenue Fund toward the support of schools organized and carried on in accordance with the law of the Province.

- (2) The moneys so paid shall be distributed for that purpose by the Government in such manner as it deems expedient. [1949, c. 66, s. 54; 1951, c. 52, s. 11]
- 59. Every person who is guilty of an offence against this General penalty Act for which no penalty is prescribed is liable on summary conviction to a fine not exceeding five hundred dollars, and in default of payment to imprisonment for a term not exceeding six months, or to both fine and imprison-[1949, c. 66, s. 55] ment.

60. If, before or at the time of a public sale of the right intimidation or agreement on agreement of purchaser to an agreement, any person, by intimidation, combination at or unfair management, hinders or prevents, or attempts to hinder or prevent, any person from bidding upon or purchas-

ing the rights offered for sale, the offender and his aiders and abettors are for every such offence guilty of an offence and liable on summary conviction to a fine not exceeding four hundred dollars, and in default of payment, to imprisonment for a term not exceeding two years.

[1949, c. 66, s. 56]

#### PART II

#### **QUARTZ MINING**

### Interpretation

Interpretation

"entry"

61. In this Part,

(a) "entry" means the record of a mineral claim in the books of the Mining Recorder and includes the certificate of record that may be issued for such claim;

"fractional claim"

(b) "fractional claim" means any mineral claim of less than the full size;

"full claim"

(c) "full claim" means any mineral claim of full size and located pursuant to the provisions of section 64;

"holder"

(d) "holder" means the holder of a mineral claim according to the records of the Department.

[1949, c. 66, s. 57; 1951, c. 52, s. 12]

### Application of Part

Application of Part

- **62.** (1) This Part applies to all deposits of gold, silver and all naturally occurring useful minerals that are the property of the Crown, other than placer deposits, salt, sulphur, coal, petroleum, natural gas, bitumen and oil shales.
- (2) This Part does not apply to limestone, marble, clay, gypsum, any building stone when mined for building purposes, earth, ash, marl, gravel, sand or any element that, in the opinion of the Minister, forms a portion of the surface of the land.
- (3) Except for the purpose of section 67, this Part does not apply to iron.

[1949, c. 66, s. 58; 1952, c. 55, s. 3; 1954, c. 65, s. 6]

#### Acquisition of Claims

Prospecting on Crown lands **63.** (1) Every person who is eighteen years of age or over may personally but not through another otherwise than is provided in section 90, enter, locate and prospect upon any vacant Crown lands for any mineral to which this Part applies and upon all other lands in respect of which the right to enter is reserved to the Crown.

- (2) Notwithstanding section 27 or the provisions of Prospecting any other Act a bona fide prospector may enter, locate, lands prospect and stake out a claim for minerals to which this Part applies on lands owned or occupied by any person
  - (a) lands on which any building, church or cemetery is located.
  - (b) lands within the curtilage of a dwelling house,
  - (c) lands on which crops that may be damaged by the prospecting are growing,
  - (d) lands used for a garden, nursery or pleasure ground,
  - (e) lands upon which any spring, artificial reservoir or dam is situate.
  - (f) lands suitable for water power, and
  - (g) lands lawfully occupied for mining purposes.
- (3) No person may enter, locate, prospect or stake out a claim for minerals pursuant to this Part on lands comprised in a lease or other agreement granted pursuant to section 67.

[1949, c. 66, s. 59; 1954, c. 65, s. 7; 1955, c. 37, s. 10]

**64.** (1) A person desiring to locate a mineral claim Entry to may enter upon the lands and locate a rectangular tract not claim exceeding one thousand five hundred feet in length by one thousand five hundred feet in breadth, subject to the provisions of this Act with respect to land that may be located for such purpose and subject, in extent, to the rights acquired to any claim or claims previously located in the vicinity and on which such claim may encroach.

- (2) Where a number of claims have been located in close proximity, priority of location shall be deemed to convey priority of right to the claims so located.
- (3) No locator has any prior rights until he has located his claim in accordance with the provisions of this Act.
- (4) Priority of right is in each case subject to the claim being recorded within the delays specified in this Act, and subsequently maintained in good standing.
- (5) All angles shall be right angles, except in cases where a boundary line of a previously located claim is adopted as common to both claims, but the boundaries need not necessarily be due north, south, east and west lines.

[1949, c. 66, s. 60]

65. (1) A person desiring to locate a fractional mineral Entry to claim may enter upon land and locate any tract lying be- fractional tween and bounded on opposite sides by previously located claim mineral claims and known by the locator to measure less than the area described in section 64 as a fractional mineral claim, subject to the provisions of this Act with respect to land that may be located for such purpose.

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(2) A fractional mineral claim need not be rectangular in form and the angles need not necessarily be right angles, and the lines of the previously located mineral claims, whether surveyed or not, between which the fractional mineral claim is located may be adopted as the boundaries of the fractional mineral claim. [1949, c. 66, s. 61]

### Maximum

- **66.** A person in one calendar year in any one mining district may stake out and apply for not more than twenty-one claims as follows:
  - (a) not more than fifteen claims in his own name;
  - (b) not more than three claims each for not more than two other persons under section 90. [1949, c. 66, s. 62; 1950, c. 42, s. 7; 1954, c. 65, s. 8]

## Application for Iron and Other Minerals

#### Application for lease for mining iron, etc.

- 67. (1) Notwithstanding any other provisions regarding acquisition of minerals to which this Part applies, application may be made to the Director of Mineral Rights for a lease or other agreement for the prospecting or mining of iron and associated minerals or for other base minerals.
- (2) The lease or other agreement may be granted comprising such area and upon such terms and conditions as may be approved by order of the Lieutenant Governor in Council. [1950, c. 42, s. 8.]

#### How a Claim Shall be Staked

#### Staking of claim

- **68.** (1) The locator shall mark each claim on the ground by two legal posts firmly planted in the ground, one at each extremity of the location line, which shall be known as post No. 1 and post No. 2.
- (2) The location line may have any astronomical bearing or direction, but it must be a straight line measured horizontally between the posts.
- (3) The distance between post No. 1 and post No. 2 shall not exceed one thousand five hundred feet, but it may be less. [1949, c. 66, s. 65]

# Inscriptions on posts

- **69.** (1) The locator shall place on posts No. 1 and No. 2 inscriptions which he shall clearly and legibly mark by knife, marking iron or crayon so they will not become illegible or obliterated.
- (2) The inscriptions shall be similar to the following examples:

Inscription on Legal Post No. 1 No. 1 "Apex" E. 800 R. 700 L. Aug. 10, 1946 Robert R. Jones	Inscription on Legal Post No. 2 No. 2 "Apex" Aug. 10, 1946 Robert R. Jones	Inscription on Witness Post W.P. "Apex" Aug. 10, 1946 Robert R. Jones 200 feet N.
robert it. Jones		

[1949, c. 66, s. 66]

- 70. The locator shall mark on post No. 1 on the side Post No. 1 facing in the direction of post No. 2, beginning near the top of the portion faced and extending downward, the following:
  - (a) No. 1;
  - (b) the name given to the claim;
  - (c) the letter indicating the direction of post No. 2, namely, "N" for north or northerly, "S" for south or southerly, "W" for west or westerly, and "E" for east or easterly;
  - (d) the number of feet lying to the right and the number of feet lying to the left of the location line, "R" for right and "L" for left;
  - (e) the month and day of the month upon which the claim was staked;
  - (f) the year;
  - (g) the name of the person locating the claim. [1949, c. 66, s. 67]
- 71. The locator shall mark on post No. 2 on the side Post No. 2 facing in the direction of post No. 1, beginning near the top of the portion faced and extending downward, the following:
  - (a) No. 2;
  - (b) the name given to the claim;
  - (c) the month and day of the month upon which the claim was staked;
  - (d) the year;
  - (e) the name of the person locating the claim. [1949, c. 66, s. 68]
- 72. The locator standing at post No. 1 and facing in the Position of direction of post No. 2 shall have the right and left of the location location line to his right and left respectively.

[1949, c. 66, s. 69]

73. The markings on the posts of a fractional claim shall Marking of fractional be the same as those upon a claim of the full size, with the claim addition of the letter "F" for "fractional" immediately below the name given to the claim, and below this the length of the location line in feet. [1949, c. 66, s. 70]

Witness post

- **74.** (1) When it is found impossible, owing to the presence of water or other insurmountable obstacle, to set post No. 2 in its proper position at one end of the location line, the locator may set up a "witness post" on the location line as near as possible to where post No. 2 should have been placed.
- (2) Upon this witness post the locator shall place, in addition to the material already prescribed to be placed on post No. 2, the letters "W.P." and the distance in feet and the direction of the point at which post No. 2 would have been placed had it been possible to do so.

[1949, c. 66, s. 71]

Idem

- **75.** (1) If a locator marks his claim by means of a witness post and it is subsequently ascertained, to the satisfaction of the Director of Mineral Rights, that this action was unnecessary, and that it was possible at the time to set post No. 2 in its proper place on the location line, then the Director of Mineral Rights shall consider and deal with the witness post as post No. 2 of the claim and shall regard it as the termination of the location line.
- (2) Post No. 1 shall not under any circumstances be marked with a witness post. [1949, c. 66, s. 72]

Marking of location line

- **76.** (1) When a claim has been located the locator shall immediately mark out the location line joining post No. 1 with post No. 2 so that it may be distinctly seen at every point throughout its entire length.
- (2) In a timbered locality the locator shall open up the line throughout its length by cutting away trees and underbrush and removing obstructions so as to give a clear view of the line throughout its entire length and of the posts marking the claim.
- (3) The trees at each side of and adjoining the location line shall also be marked by placing on each tree three blazes, one blaze on each tree facing the location line and one blaze on each side of the tree in the direction of the said line.
- (4) In a locality where there is neither timber nor underbrush, the locator shall set posts or erect monuments of earth or rock, not less than eighteen inches high and three feet in diameter at the base, so that the location line may be distinctly seen throughout its entire length.

[1949, c. 66, s. 73]

Laying out claim

- 77. (1) The sides of a mineral claim of full size shall be parallel to the location line of the claim, subject, however, to the location of any claims previously located.
- (2) The ends of a mineral claim shall be at right angles to the location line, subject, however, to the location of claims previously located.
- (3) The location line may form one of the sides of a mineral claim, or a portion of the claim may lie on either side of the location line, but the number of feet lying to the

right of the location line together with the number of feet lying to the left of the location line shall not exceed one thousand five hundred feet. [1949, c. 66, s. 74]

78. (1) Particulars of all inscriptions put on posts Particulars Nos. 1 and 2, shall be given in writing to the Mining Recorder Recorder by the locator at the time the claim is recorded. and the particulars shall form a part of the record of the claim.

- (2) The locator shall submit with his application a plan in duplicate and showing as clearly as possible
  - (a) the position of the claim applied for in its relation to the prominent topographical features of the district and to the adjoining claims, or some other known point, and

(b) the position of the posts by which the claim is marked on the ground. [1949, c. 66, s. 75]

### Removing or Defacing Posts

79. (1) No person shall move post No. 1, but post No. 2 Removing or defacing may be moved by an Alberta land surveyor, when he finds posts upon making the survey that the distance between post No. 1 and post No. 2 exceeds one thousand five hundred feet, in order to place post No. 2 at a distance of one thousand five hundred feet from post No. 1 on the line of location.

- (2) When the distance between post No. 1 and post No. 2 is less than one thousand five hundred feet, post No. 2 shall not be moved.
- (3) Notwithstanding subsection (1), an Alberta land surveyor may move post No. 1 with the prior consent in writing of the Director of Mineral Rights. [1949, c. 66, s. 76; 1954, c. 65, s. 10]

ner the inscriptions on any legal post. [1949, c. 66, s. 77]

80. Except as provided in sections 79, 82 and 83, no per- Exceptions son shall move any legal post or deface or alter in any man-

**81.** A person who

Offence and

- (a) wilfully removes or disturbs any legal post, stake. picket or other mark placed under the provisions of this Act, or
- (b) defaces or alters in any manner the inscription on any legal post,

is liable on summary conviction to a fine not exceeding one hundred dollars, and in default of payment thereof to imprisonment for any period not exceeding six months.

1949, c. 66, s. 78]

82. (1) Where a fractional mineral claim has been Correction of located between previously located and unsurveyed mineral fractional claims and when any such previously located mineral claims claims

are surveyed, if any of the posts of the fractional mineral claim are found to be on the previously located mineral claims, the fractional mineral claim is not invalid by reason of the posts of the fractional mineral claim being on the previously located mineral claims.

(2) The owner of the fractional mineral claim may, with the permission of the Mining Recorder of the district, move the posts of the fractional mineral claim and place them on the surveyed line of the adjoining previously located mineral claims.

[1949, c. 66, s. 79]

Surveys

83. Nothing in this Act shall be construed to prevent an Alberta land surveyor from taking up posts or other boundary marks when necessary for the purposes of any survey.

[1949, c. 66, s. 80]

### Recording Claims

Recording claims

- **84.** (1) Every person locating a mineral claim shall record the same in person with the Mining Recorder of the district within which the claim is situate, within fifteen days after the claim was staked if it is located within fifty miles of the office of the Mining Recorder.
- (2) The time for recording shall be extended by one additional day for every additional ten miles or fraction thereof in excess of fifty miles.
- (3) When the locator has complied with the staking and recording requirements, including the payment of the prescribed fee, the Mining Recorder shall record the claim.
- (4) A claim that is not recorded within the prescribed period shall be deemed to have been abandoned and forfeited, without any declaration of cancellation or abandonment on the part of the Crown.

[1949, c. 66, s. 81; 1950, c. 42, s. 9; 1951, c. 52, s. 14.]

Appointment of emergency recorder

- **85.** (1) In the event of a claim being situated where other claims are being located, the locators, not less than five in number, may meet and appoint an "emergency recorder".
- (2) The emergency recorder shall note on each application the date upon which the application was received by him and the amount of the fee paid in respect thereof.

[1949, c. 66, s. 82]

Dutles of emergency recorder

- **86.** (1) The emergency recorder shall, as soon as possible after his appointment notify the Mining Recorder for the district in which the claims are located of his appointment.
- (2) The emergency recorder shall deliver in person to the Mining Recorder all applications that he has received for mineral claims together with the fees that he has collected for recording them.

- (3) The Mining Recorder shall then grant to each person from whom the emergency recorder has accepted an application and fee, an entry for his claim, if the application was made in accordance with the provisions of this Act, and in Form B or C in the Schedule.
- (4) The entry shall date from the day the emergency recorder accepted the application and fee.
- (5) Where the emergency recorder fails to notify the Refusal to file claim Mining Recorder of his appointment within the time from the date thereof equal to that prescribed for recording claims by section 84, or fails to deliver to the Mining Recorder within an additional fifteen days the applications received and fees collected, the Mining Recorder may refuse to record the claims. [1949, c. 66, s. 83; 1950, c. 42, s. 10]

87. No mineral claim shall be recorded unless the ap-Affidavit plication is accompanied by an affidavit or solemn declaration made by the applicant in Form B or, if it is a fractional claim, in Form C in the Schedule. [1949, c. 66, s. 84]

88. (1) Failure on the part of the locator of a mineral Validity of claim to comply in every respect with the foregoing provisions shall not be deemed to invalidate his claim, if upon the facts it appears to the satisfaction of the Mining Recorder that the locator has staked out his claim as nearly as possible in the manner prescribed, and that there has been on his part a bona fide attempt to comply with all the provisions of this Part, and that the non-observance of any of the provisions hereinbefore referred to is not of character calculated to mislead other persons desiring to locate claims in the vicinity.

- (2) Before granting entry the Mining Recorder may require the locator to remedy immediately any material defaults committed in the observance of the provisions of this Act in respect of the staking of a mineral claim, and if the defaults are not remedied within a period to be fixed by the Mining Recorder, and to his satisfaction, he may refuse to grant the entry. [1949, c. 66, s. 85]
- 89. A locator who has duly recorded a claim may obtain Certificate of record of therefor a certificate of record of mineral claim for one mineral year if he has furnished to the Mining Recorder all the claim particulars necessary for the record.

[1949, c. 66, s. 86; 1950, c. 42, s. 11; 1951, c. 52, s. 15]

90. (1) No certificate of record shall be granted for a Staking of claim that has not been staked by the applicant in person and in the manner specified in this Act.

- (2) Notwithstanding subsection (1), any person who
- (a) satisfies the Mining Recorder that he is about to undertake a bona fide prospecting trip, and

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(b) files with the Mining Recorder in advance a power of attorney from not more than two persons, authorizing such person to stake claims for them in consideration of their having enabled him to undertake the trip,

may stake three claims in the name of each such person. [1949, c. 66, s. 87; 1954, c. 65, s. 11]

Minerals to which holder is entitled **91.** The holder of a mineral claim is entitled to all minerals to which this Part applies, and that are the property of the Crown and lie within his claim.

[1949, c. 66, s. 88; 1951, c. 52, s. 16; 1954, c. 65, s. 12]

Staking on Sunday **92.** A claim staked upon a Sunday or any public holiday is not invalid for that reason. [1949, c. 66, s. 89]

Chattel interest

93. The interest of a holder of a mineral claim prior to the issue of a lease shall be deemed to be a chattel interest equivalent to a lease for one year of the minerals in or under the land, and thence from year to year, subject to the performance and observance of all the terms and conditions of this Act. [1949, c. 66, s. 90; 1951, c. 52, s. 17.]

Change of

- **94.** (1) Where a claim has been recorded under any name and the owner or his agent is desirous of changing the same, the Mining Recorder may, upon payment of a fee of twenty-five dollars, amend the record accordingly.
- (2) A change of name upon the record does not in any way affect or prejudice any proceedings or execution against the owner of the claim. [1949, c. 66, s. 91]

#### Abandonment of Claims

Abandonment of claim

- 95. (1) The holder of a mineral claim may at any time abandon it or relinquish his lease thereof, if he has complied in every respect with the provisions of this Act, and if all payments on account of rental or other liability to the Crown and due by him in connection with the claim or lease have been fully paid.
- (2) Notice in writing of intention to abandon a claim shall be given to the Mining Recorder, and from the date of the receipt of the notice all interest of the holder in the claim ceases.
- (3) Upon abandonment or loss of rights in a mineral claim, the Mining Recorder shall forthwith make upon the record of the claim a note thereof indicating the date of abandonment or loss, and shall mark the record of the claim "lapsed". [1949, c. 66, s. 92; 1950, c. 42, s. 12.]

Removal of personal property from abandoned claim 96. When the holder of a mineral claim abandons it, if he has complied with section 95, he may take from the claim any personal property that he may have placed on it and any ore that he may have extracted from it, within such time as may be fixed by the Minister. [1949, c. 66, s. 93]

97. When a mineral claim has been abandoned or for-Relocation of abandoned feited by any person, the Mining Recorder in his discretion claim may permit such person to relocate the mineral claim or any part thereof if the relocation does not prejudice or interfere with the rights or interests of others. [1949, c. 66, s. 94]

98. No claim shall be relocated by or on behalf of the Idem former holder thereof within thirty days of its being abandoned or forfeited, nor until after notice of the abandonment or forfeiture has been posted up for at least a week in a conspicuous place on the claim and in the office of the Mining Recorder, nor until a statutory declaration has been filed with the Mining Recorder declaring that the notice has been so posted. [1949, c. 66, s. 95]

#### Grouping

99. (1) Upon written application being made to him by Grouping of claims the owner or owners of claims not exceeding forty-two in number and situated within a radius of five miles, the Mining Recorder may grant a certificate authorizing the claims to be comprised in one group and allowing the holders of the claims to perform on any one or more of the claims all the work required to entitle him or them to a certificate of work for each claim.

- (2) The grouping certificate shall be issued on payment of the fee prescribed and shall be recorded against each claim affected without payment of any additional recording fee.
- (3) If the work is not done, or if payment is not made in lieu thereof as prescribed in sections 100 and 101, the claims shall be deemed to be vacant and abandoned without any declaration of cancellation or forfeiture on the part of the [1949, c. 66, s. 96; 1954, c. 65, s. 13] Crown.

### Representation Work Required to be Done

100. (1) A person who has received a certificate of Requirements for record of a mineral claim that has not been cancelled certificate pursuant to the provisions of section 105, is entitled to of work hold the claim for a period of one year from the date of recording the same and thence from year to year upon payment of the prescribed fee for a certificate of work without the necessity of re-recording, if such person

- (a) during the first year and during each succeeding year does or causes to be done on the claim work to the value of one hundred and fifty dollars and satisfactory to the Mining Recorder, and
- (b) files with the Mining Recorder, within fourteen days after the expiration of each year, an affidavit made by him or his agent, stating that such work has been done and setting out a detailed statement thereof.
- (2) Work performed on a mineral claim after the claim has been duly located and before it has been recorded may, if acceptable, be considered as work required to be done during the first year. [1949, c. 66, s. 97; 1951, c. 52, s. 18.]

Payment in lieu of work required to be done

- 101. (1) In lieu of the work required to be done on a claim each year by section 100, the holder of a mineral claim may pay to the Mining Recorder in whose office the claim is recorded the sum of one hundred and fifty dollars, and receive from the Mining Recorder a receipt for the payment.
- (2) The payment and the record thereof in any year relieves the person making it from the necessity of doing any work during the year in which, and for which, and upon the claim in respect of which, the payment is recorded, and the holder is entitled to a certificate of work for the year.

  [1949, c. 66, s. 98]

Lapse of claim

- 102. (1) If the prescribed amount of work is not done during the year or if payment is not made in lieu thereof, the claim lapses at the expiration of the period of fourteen days provided for and shall forthwith be open to relocation under the provisions of this Act without any declaration of cancellation or forfeiture on the part of the Crown.
- (2) If the owner of a mineral claim has performed the required work during the year but has failed to furnish the prescribed evidence of the work having been performed, the Mining Recorder may at the expiration of the period of fourteen days provided for, grant the area embraced in the claim or any portion thereof to another person who has duly located in the manner prescribed in this Act.
- (3) The said owner, within six months after the expiration of the year, may apply for a certificate of work in connection with the claim and for the cancellation of any other certificate of record issued in respect of the said claim, or for any portion thereof, and the latter claim shall be cancelled by the Mining Recorder, or in the event of a certificate of record not having been issued for the claim, any pending application for the same shall be refused
  - (a) if the owner proves to the satisfaction of the Mining Recorder that the required work was performed by or on behalf of the said owner,
  - (b) if the owner pays the expenses to which the person locating the claim has been put in locating and applying for the claim, and
  - (c) in the event of a certificate of record having been issued, if the owner pays also all expenses to which such person has been put in obtaining the same, and all compensation for any bona fide work that he may have performed thereon.
- (4) Where the owner of a claim fails to obtain the required certificate of work within the time specified in section 100, the fee for the certificate shall, if paid within three months after the year has expired, be twenty-five dollars and, if paid after three months and within six months after the year has expired, fifty dollars.

(5) Where the owner of a mineral claim fails within a period of six months after the expiration of the year to furnish the evidence of expenditure prescribed in section 100, and to obtain a certificate of work from the Mining Recorder, his interest or right in, to or in respect of the said claim is, at the expiration of the period of six months void without any notice or declaration of cancellation by or on behalf of the Crown, and without judicial inquiry, notwithstanding the fact that the prescribed work may have been duly performed on the claim within the year, as required by this Act, but not proved, as aforesaid.

[1949, c. 66, s. 99]

103. (1) When the recorded owner of a fractional min- Work required on eral claim furnishes evidence to the satisfaction of the Min-fractional ing Recorder that the area of the claim is less than twentyfive acres, the expenditure required to be incurred each year in mining operations on such fractional claim, or the payment to be made in lieu thereof, to entitle the recorded owner to a certificate of work, shall be one-half that required under this Act in respect of a full claim.

(2) If upon survey a fractional claim in connection with which such representations have been made is found to contain twenty-five acres, or more, the recorded owner thereof shall pay to the Mining Recorder whatever additional amount may be necessary to pay in connection with a full claim, with interest, before he is entitled to receive a certificate of improvements in connection with such claim.

[1949, c. 66, s. 100]

104. When two or more persons own a claim each such Joint ownership person shall contribute, proportionately to his interest, to the of claim work required to be done by section 100, and to the payment of fees and other charges provided for in this Act. and if it is proved to the satisfaction of the Mining Recorder after a notice of hearing has been served on all parties interested, in the manner directed by such Mining Recorder, that any co-owner has not so contributed, the interest of the co-owner shall be vested by order of the Mining Recorder in the other co-owner or co-owners in proportion to their respective [1949, c. 66, s. 101] interests.

**Disputes** 

105. (1) Where two or more persons lay claim to the Priority in staking same tract, or where the record indicates that a tract is comprised in the stakings of more than one mineral claim, then the person who was first to take possession of the tract by staking in the manner prescribed, if he has complied with the recording requirements, shall have the right to the certificate of record of mineral claim.

(2) The person who has the right to the certificate in accordance with subsection (1) shall be determined by the Minister, who may consider evidence submitted by affidavit, and may have such other investigation made as he considers the situation warrants.

- (3) The decision of the Minister as to the right to a certificate is final and there is no appeal therefrom.
- (4) When a certificate has been issued to a person other than the one who is found to have the right to the tract, the certificate or such portion thereof as may be decided by the Minister shall be cancelled by the Minister, and the record shall be amended accordingly.

[1949, c. 66, s. 102; 1951, c. 52, s. 19]

Irregularities

106. Upon any dispute as to the title to any mineral claim, no irregularity happening previous to the date of the record of the last certificate of work affects the title thereto, and it shall be assumed that up to that date the title to such claim was perfect, except upon suit by the Attorney General of Alberta and based upon fraud.

[1949, c. 66, s. 103]

Evidence or record of claim destroyed

107. Whenever, through the act or default of any person other than the recorded owner of a mineral claim or his agent by him duly authorized, the evidence of the claim or record on the ground, or the position of the mineral claim has been destroyed, lost or effaced, or is difficult of ascertainment, effect shall be given to the claim as far as possible, and the court has power to make all necessary inquiries, directions and references in the premises, for the purpose of carrying out the object hereof and vesting title in the first bona fide acquirer of the claim. [1949, c. 66, s. 104]

Delays of officials

108. No person shall suffer from any acts of omission or commission, or delays on the part of any government official, if such can be proven to the satisfaction of the Minister. [1949, c. 66, s. 105; 1951, c. 52, s. 20.]

### Certificates of Improvements

Payment to Recorder in lieu of expenditure

- 109. (1) Payment may be made to the Mining Recorder in the sum of seven hundred and fifty dollars, in lieu of expenditure on a claim of the ordinary size.
- (2) Where payment in lieu of expenditure is made, the recorded owner of the claim shall comply with all other provisions of this Act, except such as have respect solely to the work required to be done on the claim.

[1949, c. 66, s. 106; 1951, c. 52, s. 21; 1954, c. 65, s. 14]

Certificate of improvements

- 110. (1) The holder of a mineral claim, upon payment of the prescribed fee, is entitled to receive from the Mining Recorder a certificate of improvements in respect of the claim, unless proceedings by a person claiming an adverse right under section 115 have been taken, if the holder, to the satisfaction of the Mining Recorder,
  - (a) has done or caused to be done work on the claim itself in developing a mine to the value of seven hundred and fifty dollars exclusive of the cost of all houses, buildings and other like improvements, or made payment in lieu thereof as provided in sections 101 and 109,

- (b) has found a vein or lode within the limits of the claim,
- (c) has had the claim surveyed at his own expense, in accordance with instructions from the Department, by an authorized Alberta land surveyor and had the survey thereof duly approved,
- (d) has posted in some conspicuous part of the claim embraced in the survey a copy of the plan of the claim, signed and certified as accurate under oath by the surveyor,
- (e) has posted a legible notice in writing, in the form prescribed by the Minister, of his intention to apply for a certificate of improvements on some conspicuous part of the claim and in the Mining Recorder's office,
- (f) has, after the posting of the notice on the claim, inserted a copy of the notice in a newspaper approved by the Mining Recorder on two occasions as nearly seven days apart as possible, the first of which insertions shall be at least sixty days prior to the application,
- (g) has filed with the Mining Recorder a copy of the surveyor's original plan of the claim, signed and certified as accurate under oath by the surveyor, and
- (h) has filed with the Mining Recorder an affidavit of the holder of the claim, or his duly authorized agent, in the form prescribed by the Minister.
- (2) For the purposes of clause (a) of subsection (1),
- (a) the value of the work done, as assessed by the Mining Recorder, and the amount paid and accepted in lieu thereof shall together be equal to at least seven hundred and fifty dollars,
- (b) in the case of a fractional claim, the work to be done or the payment to be made in lieu thereof shall be that specified in section 103,
- (c) work done or a claim by a predecessor or predecessors in title shall be deemed to have been done by the person who receives a transfer of such claim, and
- (d) the cost of the survey, but not exceeding one hundred and fifty dollars, may be counted as work done on the claim if the survey has been accepted in lieu of representation work.
- (3) At the expiration of the term of sixty days after the first publication, if no action has been commenced of which notice was filed with the Mining Recorder, the Mining Recorder shall forward to the owner or agent the certificate of improvements issued, and to the Department a copy thereof, together with the several documents referred to in subsection (1) and evidence showing that the notice required

by clause (e) of subsection (1), or by section 121, has been posted in his office, and that the plan has been deposited for reference therein from the date of the first appearance of the said notice in the newspaper and continuously therefrom for a period of at least sixty days, and containing the full Christian name and surname of the recorded owner, or of each of the recorded owners, as well as his occupation and respective interest.

- (4) A certificate of improvements shall not be issued until a report has been furnished by an officer of the Department, or some person satisfactory to the Mining Recorder, to the effect that upon inspection the officer or other person was satisfied that the required expenditure in developing a mine had been actually incurred, and that a vein or lode has been found within the limits of the claim.
- (5) Delay in having an inspection made after the recorded owner of a mineral claim has fully complied with the above requirements does not render it necessary for the owner to perform further representation work, or make payment in lieu thereof, because of such delay.

[1949, c. 66, s. 107; 1951, c. 52, s. 22; 1954, c. 65, s. 15]

Minister may waive notice **111.** When a claim is situated in a remote part of the country that is very difficult of access, where other claims have not been recorded, and where no newspaper is published within a distance of one hundred miles, the Minister may, in his discretion, waive posting of a copy of the plan of the claim, posting of notice on the claim and publication of the same in a newspaper as provided in clauses (d), (e) and (f) of subsection (1) of section 110.

[1949, c. 66, s. 108; 1951, c. 52, s. 23.]

Certificate is conclusive

112. A certificate of improvements when issued as aforesaid shall not be impeached in any court on any ground except that of fraud. [1949, c. 66, s. 109]

Work

113. After the issue and recording of a certificate of improvements, and while the certificate is in force but a lease not yet issued, it is not necessary to do any work on the claim. [1949, c. 66, s. 110]

Certificate holder entitled to lease

114. The holder of a mineral claim for which a certificate of improvements has been granted and recorded is entitled to a lease of the claim upon payment being made within three months of the rental and fee prescribed by section 137.

[1949, c. 66, s. 111]

### Adverse Right

Adverse right

115. (1) Where a person claims an adverse right of any kind, either to possession of the mineral claim referred to in the application for certificate of improvements, or any part thereof, or to the minerals contained therein,

he shall, within sixty days after the first publication in the nearest local newspaper of the notice referred to in clause (f) of subsection (1) of section 110 or in section 121, but not later, unless such time is extended by special order of the court upon cause being shown, commence legal action to determine the question of the right of possession or to enforce his claim otherwise.

- (2) The person claiming an adverse right shall file a copy of the statement of claim, originating notice or petition or other initiating proceeding in the legal action with the Mining Recorder of the district in which the said claim is situated within twenty days from the commencement of the action, and shall prosecute the action with reasonable diligence to final judgment, and a failure so to commence or so to prosecute shall be deemed to be a waiver of the plaintiff's claim.
- (3) After final judgment has been given in the legal action, the person, or any one of the persons entitled to possession of the claim or any part thereof, may file a certified copy of the same in the office of the Mining Recorder.
- (4) After the filing of the said judgment, and upon compliance with all the requirements of section 110, such person or persons is or are entitled to the issue to him or to them of a certificate of improvements in respect of the claim or the portion thereof that he or they appear from the decision of the court rightly to possess. [1949, c. 66, s. 112]
- 116. (1) If an adverse claim affects only a portion of Adverse the claim for which application is made for a certificate of portion of improvements, the applicant may relinquish the portion covered by the adverse claim and is entitled to a certificate of improvements for the undisputed remainder of his claim, upon complying with the requirements of this Act.

(2) When judgment in such case is rendered by the court a memorandum of the judgment shall be entered in the "record book" by the Mining Recorder and, if by any judgment the original boundaries of any claim are changed, a plan made by an Alberta land surveyor and signed by the judge by whom the judgment has been given shall be filed with the Mining Recorder, who shall forward it to the Department. 11949. c. 66. s. 1131

#### Address for Service

117. (1) Every application for a mineral claim and Address for service every other application, and every transfer or assignment of a mineral claim, or of an interest therein, acquired under the provisions of this Act shall contain, or shall have endorsed thereon, the place of residence and the post office address of the applicant, transferee or assignee, and his occupation.

(2) No application, transfer or assignment shall be accepted or recorded unless it conforms with subsection (1). [1949, c. 66, s. 114]

### What Entry or Lease Conveys

Holder of claim entitled to all minerals

118. The holder of a mineral claim by entry or by lease, unless otherwise provided in the entry or lease, is entitled to all minerals within the meaning of this Part and found in veins, lodes or rock in place, and whether such minerals are found separately or in combination with each other in, upon or under the lands included in the entry or lease.

[1949, c. 66, s. 115; 1954, c. 65, s. 16]

Rights of way and entry reserved to Crown

119. A lease of a mineral claim issued under the provisions of this Act reserves to the Crown such right or rights of way and of entry as may be required under any Act or regulations in that behalf and now or hereafter in force in connection with the construction, maintenance and use of works for the conveyance of water for mining operations.

[1949, c. 66, s. 116]

Survey of mineral claim

- **120.** (1) The recorded owner of a mineral claim shall, within one year from the date upon which notification by the proper officer of the Department to do so is sent to him, have a survey thereof made at his own expense by a duly qualified Alberta land surveyor under instructions from the Director of Mineral Rights.
- (2) Such notification shall not be given until the expiration of at least one year from the date upon which the claim was recorded.
- (3) If the survey is not made and if the returns of the survey are not received and approved by the Director of Mineral Rights within one year from the date of notification, the Minister may cancel the entry granted for the mineral claim.
- (4) The owner of a claim may, at any time after obtaining a certificate of record, have a survey made without any notification having been sent to him to do so.

[1949, c. 66, s. 117]

Cost of survey

- **121.** (1) The cost of the survey of a mineral claim, made in accordance with the provisions of section 120 may be accepted as representation work on the claim in any one year.
- (2) Notice of such survey in the form prescribed by the Minister shall on two occasions as nearly seven days apart as possible, be inserted in a newspaper approved by the Mining Recorder.
- (3) Before the first appearance of the advertisement in the newspaper, the owner of the claim shall cause to be posted on a conspicuous spot on the claim and in the office

of the Mining Recorder for the district a notice of his intention to advertise the survey of the claim, and also a copy of the plan of the survey prepared and certified correct, under oath, by an Alberta land surveyor.

- (4) Sixty days after the first publication of the notice pursuant to subsection (2), the survey shall be accepted as defining absolutely the boundaries of the claim surveyed if the claim has not been protested since the publication of the notice and has been duly approved by the Director of Mineral Rights.
- (5) If within the time specified the survey is protested. the protest shall be heard and decided upon by procedure similar to that provided for in section 115. [1949, c. 66, s. 118; 1954, c. 65, s. 17]

122. (1) The surveyor shall accurately define and Duties of mark the boundaries of the claim in full compliance with the instructions issued to him, and shall, on completion of the survey, forward to the Department the original field notes

(2) After a certificate of improvements has issued in respect of any claim so surveyed, prima facie evidence of its staking may be given by any person who has seen and who can describe the position of such posts purporting to be marked as aforesaid. [1949, c. 66, s. 119]

and plan signed and certified as accurate under oath.

123. An Alberta land surveyor when making a survey Fraction may, upon such terms and conditions, including any pay- claim ment, as may be prescribed by the Minister, include an adjoining fractional area or portion thereof within the claim that is being surveyed if the fractional area or portion is available and open to disposal. [1949, c. 66, s. 120; 1954, c. 65, s. 18]

124. (1) An Alberta land surveyor when surveying a Fractional fractional mineral claim may survey the claim so that it include contains as nearly as possible all the unoccupied ground lying unoccupied between the previously leasted mineral alained ground between the previously located mineral claims as described in the affidavit and sketch furnished by the locator at the time when the claim was recorded.

- (2) No side of a fractional claim so surveyed shall exceed one thousand five hundred feet in length, and the area of the claim as surveyed shall not exceed fifty-one and sixtyfive one-hundreths acres. [1949, c. 66, s. 121]
- 125. If required to do so by the Director of Mineral Surveyor to Rights, the surveyor shall connect the survey of the claim vey with with some known point in a previous survey, or with some known point or houndary so that the position of the other known point or boundary, so that the position of the claim can be definitely fixed on the plans of the Department. [1949, c. 66, s. 122]

Surveyor shall search for subsisting conflicting claims

- **126.** (1) Before proceeding with the survey, the surveyor shall examine the application made for the claim and the plan that accompanied the application, and before completing the survey he shall ascertain by careful examination of the area, or by all other reasonable means in his power, whether or not any other subsisting claim conflicts with the claim he is surveying.
- (2) The surveyor shall furnish with his returns of survey a certificate duly signed by him and in the following form:

(If none, so state; if any, give particulars.)

[1949, c. 66, s. 123]

Posting and publication of notice of survey

- **127.** (1) If the survey of a claim is made and advertised in the manner specified herein before the recorded owner of the claim has sufficiently complied with the Act to permit of his applying for a certificate of improvements, then the posting and publication of notice of the survey of the claim in the manner indicated shall be accepted as satisfaction of the posting and advertising requirements of section 110.
- (2) Before a certificate of improvements is issued in connection with such a claim all other requirements of section 110 shall be fully complied with. [1949, c. 66, s. 124]

#### Transfer of a Mineral Claim

Transfer of mineral claim

- 128. (1) No transfer of a certificate of record for any mineral claim, or of any interest therein, is effectual unless the same is in writing, signed by the transferor, or by his agent authorized in writing, and recorded by the Mining Recorder.
- (2) If the transfer is signed by an agent, the authority of the agent shall be recorded before the record of the transfer.
- (3) The transfer shall be in duplicate and signed and sealed by the transferor in the presence of a witness, who by affidavit shall furnish proof of execution.
- (4) When a transfer is recorded, the Mining Recorder shall return to the transferee one copy thereof with a certificate endorsed thereon that it has been recorded in his office, and the Mining Recorder shall retain the other copy.

  [1949, c. 66, s. 125]

129. If the certificate of record has been lost or de-Substitustroyed, the Mining Recorder may, upon receipt of evidence certificate to his satisfaction and supported by the affidavit of the re-corded owner or owners, or one of them, that such is the case, and upon receipt of a fee of ten dollars, issue a "substitutional" certificate of record, which shall be so marked and which shall be as far as practicable a copy of the certificate of record originally issued for the claim. [1949, c. 66, s. 126]

130. (1) Any conveyance, bill of sale, mortgage, or Recording of other document of title relating to a mineral claim for which dispositions a certificate of record has been granted under the provisions of this Act may be recorded with the Mining Recorder.

- (2) The Mining Recorder is not required to record an assignment conveying less than an undivided one-quarter interest in any mineral claim.
- (3) Failure to record any document does not invalidate the same as between the parties thereto, but an unrecorded document in so far as it affects a third party takes effect from the date of record and not from the date of the document. [1949, c. 66, s. 127]
- 131. After a lease of a mineral claim has been issued, an Assignment assignment of the whole or an undivided interest in such claim claim shall be filed with the Minister and accompanied by the prescribed fee and by the lessee's copy of the lease, but no such assignment shall be accepted or registered unless

- (a) the assignment is unconditional and its execution proved to the satisfaction of the Minister, and
- (b) the provisions of this Act in respect of such claim have been fully complied with. [1949, c. 66, s. 128]
- 132. If the holder of a mineral claim, after applying for Transfer of a certificate of improvements, sells and transfers the claim, claim the new holder of the claim, upon satisfactory proof of the sale and transfer being made to the Mining Recorder, is entitled to a certificate of improvements in his own name if there has been compliance with the provisions of this Act in respect of that claim. [1949, c. 66, s. 129]

133. If a transfer is made to any person or company after Transferee a certificate of improvements has been issued but before a certificate lease has been prepared, the Minister may, upon proper proof of the transfer being made to the satisfaction of the Minister, issue the lease to the new holder of the claim.

[1949, c. 66, s. 130]

**134.** The issue of the lease does not invalidate any lien Lien that may have been attached to any mineral claim before the issue of the lease. [1949, c. 66, s. 131]

### Royalty

Royalty

- 135. (1) Such royalty as may be determined and fixed from time to time by order of the Lieutenant Governor in Council is reserved to and shall be charged by the Crown on the sales of all minerals produced from mineral claims, whether such claims are held under certificate of record, lease, certificate of title, or otherwise, and the royalty shall be collected as directed by the Minister.
- (2) The same royalty shall be charged on the sales made before the issue of a certificate of record.

[1949, c. 66, s. 132]

#### Term of Lease and Rental

Term of lease and rental 136. A lease shall be for a term of twenty-one years, shall be renewable for one further term of twenty-one years if the lessee furnishes evidence to the satisfaction of the Minister that during the term of the lease he has complied in every respect with the conditions of the lease and with the provisions of this Act, and shall be renewable for further terms of twenty-one years on such terms and conditions as may be prescribed by the Lieutenant Governor in Council.

[1949, c. 66, s. 133]

Rental

- 137. (1) The rental of a full or fractional mineral claim granted under a lease shall be fifty dollars, and the rental is payable in advance within three months after the date upon which a certificate of improvements in connection with the claim is issued.
- (2) No further rental becomes due or payable in connection with such claim until the termination of the above period of twenty-one years.
- (3) For a renewal of the lease the lessee shall pay in advance the sum of two hundred dollars to cover the rental for a further period of twenty-one years.
- (4) The fee for the issue of a lease of a mineral claim or for any renewal thereof shall be as prescribed by this Act or the regulations.

[1949, c. 66, s. 134; 1951, c. 52, s. 24; 1954, c. 65, s. 19]

Lapse for nonpayment of rental or royalty 138. In case payment of the rental and fee for the first term of twenty-one years is not made within the prescribed period of three months from the date of the certificate of improvements, or in case payment is not made of the rental for the renewal term within three months from the date upon which it becomes due, then all right to the claim or to a lease thereof, or to a renewal of such lease, lapses absolutely without any declaration of cancellation or forfeiture on the part of the Crown, and such rights immediately are and become revested in the Crown. [1949, c. 66, s. 135]

**139.** The lessee shall not assign, transfer or sublet the Assignment rights described in his lease, or any part thereof, without the consent in writing of the Minister being first had and obtained. [1949, c. 66, s. 136]

#### Mine Plans

140. (1) The operator of every mine on a mineral Mine plans claim shall make and maintain, or cause to be made and maintained by a competent mining engineer or surveyor a clear and accurate plan or plans, with sections, if necessary, showing clearly all the workings of such mine.

- (2) Every six months or oftener, if required by the Minister, the operator or superintendent of the mine shall cause to be clearly and accurately shown on the plan or plans of the mine all the excavations made thereon during the time elapsed since such excavations were last shown on the plan or plans, and all parts of the said mine that have been worked out or abandoned during the said period of time shall be clearly indicated on such plan or plans.
- (3) All underground workings shall be surveyed and mapped out before they are allowed to become inaccessible.
- (4) The methods of survey and computation thereof shall be according to instructions to be obtained from the Department. [1949, c. 66, ss. 137 & 138]
- 141. (1) All mine plans, survey notes and computations Access to shall be kept at the mine office away from risk of damage by fire or any other cause and shall be treated as confidential information to which a person designated by the Minister shall have access at all times, but they shall not be exhibited nor shall any information contained therein be imparted to any person except with the written permission of the owner or agent of the mine.

- (2) Any person designated by the Minister may take a tracing of the plans if he thinks fit and may take the tracing awav. 1949, c. 66, s. 138
- **142.** (1) Plans shall be drawn on a scale of not more Scale of than fifty feet to one inch of every working mine in which levels, cross-cuts or other openings have been driven from any shaft, adit or tunnel, and in addition to the size of the openings they shall indicate all important geological information obtained in working the mine, together with assay values wherever the ore has been sampled in situ.

(2) For the sake of clearness, more than one plan may be employed on which to plot such information.

[1949, c. 66, s. 139]

143. The requirements of this Act relating to plans do workings not apply to workings abandoned before the first day of April, 1949, and inaccessible at such date.

[1949, c. 66, s. 140]

Contents of

- **144.** (1) Every dam or bulkhead erected underground shall be shown clearly on the mine plans, and all machinery, ladder ways, stores, and so forth, shall be indicated by an approved symbol.
- (2) Where workings are adjacent to abandoned workings on the group of claims being worked and liable to contain water, the plans shall show the position and extent of such workings as accurately as can be determined.
- (3) Any adjoining owner may apply to the Department for the purpose of ascertaining whether any mine is being worked into his territory, and upon such application being made the Department may examine and make report thereon to the adjoining owner as to whether his territory is or is not being encroached upon.
- (4) Before a mine or any part of a mine is abandoned, closed down or otherwise rendered inaccessible, all underground plans and sections shall be brought up-to-date and a certified copy filed with the Department.

[1949, c. 66, s. 141]

Ore refining

- 145. (1) All claims recorded and leases issued under the provisions of this Act are subject to the provision that all ores or minerals mined from such claims or leases shall be treated and refined within Canada so as to yield refined metal or other product suitable for direct use in the arts without further treatment.
- (2) Where the Minister is of the opinion that subsection (1) is being violated, the certificate of record or lease issued for such claims shall be by him declared null and void, and the said claims forthwith revert to and become revested in the Crown, freed and discharged of any interest or claim of any other person or persons whomsoever, and shall be open to disposal in such manner as the Minister may decide.

  [1949, c. 66, s. 142]

#### Claims of Deceased or Insane Miners

Forfeiture

- 146. If the owner of a claim for which a lease has not yet been issued, or if the owner of an interest in such a claim dies, or is adjudged to be insane, the provisions of this Act as to forfeiture for non-performance of work or non-payment of fees do not apply, except as hereinafter provided,
  - (a) in the case of a deceased person either during his last illness or after his decease, and
  - (b) in the case of an insane person either after he has been so adjudged insane, or if it appears that the neglect or omission on account or by reason of which such claim would otherwise have been deemed to be forfeited was attributable to his insanity, then during such period prior to his having been adjudged insane as he may have been shown to have been insane.

147. The Minister may limit the period during which all Exemption or any interest in any mineral claim that is the property of the deceased or insane person will be exempt from the provisions of this Act requiring annual performance of work and payment of fees, and may fix the date upon which the same will again become subject to all the provisions of this Act. [1949, c. 66, s. 144]

148. (1) At the termination of the period fixed the Forfeiture claim becomes subject to all the provisions of this Act and, relocation if the provisions of this Act are not complied with, all rights thereto are absolutely forfeited in the event of the estate of the deceased person being the sole owner of the claim, and the claim shall forthwith be open for relocation without any declaration of cancellation or forfeiture on the part of the Crown.

- (2) In the event of such an estate being a co-owner, the interest of the estate thereupon ipso facto becomes vested in the other co-owners who have complied with the Act, in proportion to their respective interests. [1949, c. 66, s. 145]
- 149. The Minister by order from time to time may extend Extension of the period of the exemption as the necessity of the case in exemption his opinion may demand but in the case of deceased persons the period during which such exemption may apply shall not extend beyond three years from the date of the death of the deceased. [1949, c. 66, s. 146]

**150.** If there is no other legal representative of the Legal repestate of any such deceased or insane person the Minister may cause the Public Trustee or such responsible officer as he may name to take possession of the property and administer the same subject to the provisions of any statute in force respecting the administration of the estates of deceased or insane persons in the Province. [1949, c. 66, s. 147]

**151.** No exemption of the interest of a deceased or insane Co-owner owner in any claim applies to or exempts any co-owner's interest from the provisions of this Act as to the annual performance of work and payment of fees, and the rights of such co-owners are entitled to protection if they do or cause to be done the prescribed representation work and pay the prescribed fees necessary in connection with those interests not exempted from performance of work and payment of [1949, c. 66, s. 148]

**152.** Where the estate of the deceased or insane person Interest of owns an interest in a claim and the co-owners who are re- in estate quired to perform work and pay fees have, during the period of such exemption, failed to perform the work required to be done thereon, the interest of such co-owners, upon such failure being proved to the satisfaction of the Mining Recorder at a hearing of which notice has been served upon all

persons interested in the manner prescribed by him, may be vested by order of the Mining Recorder in such estate.

[1949, c. 66, s. 149]

Recording assignment from estate

- 153. (1) A person receiving from the Public Trustee or other legal representative of the estate of a deceased or insane person an assignment of a claim that has been exempted from the provisions of the Act as to performance of work and payment of fees because of the death of or insanity of the owner thereof, shall record such assignment within two months from the date thereof.
- (2) After the assignment has been recorded the claim again becomes subject to all the provisions of this Act.
- (3) If the assignment is not so recorded the provisions exempting the claim cease to apply and at the expiration of the said two months the claim is absolutely forfeited and shall be open to relocation and entry. [1949, c. 66, s. 150]

Recording of assignment

- **154.** (1) A person receiving from the Public Trustee or other legal representative of the estate of a deceased or insane person an assignment of an interest in a claim
  - (a) that has been exempted from the provisions of this Act as to performance of work and payment of fees because of the death or insanity of the owner thereof, and
  - (b) on which the co-owner or co-owners are required to perform work and pay fees,

shall within two months from the date of such assignment record the same and comply with the provisions of the Act in respect of representation work from the day of the recording of the transfer.

- (2) If the assignment is not so recorded and if the provisions of this Act are not otherwise complied with, the interest in the claim thereupon *ipso facto* becomes vested in the other co-owner or co-owners in proportion to their respective interests.
- (3) If the co-owner or co-owners who are required to perform work and pay fees has or have failed to do so, the interest of such co-owner or co-owners may, upon such failure being proved to the satisfaction of the Mining Recorder at a hearing of which notice has been served upon all persons interested, be vested in the co-owner who has acquired the interest of the estate in such claim, and who has complied with the provisions of this Act.

[1949, c. 66, s. 151]

### Party Wall

Party wall

155. (1) Unless the owners agree to dispense therewith, in all mining operations there shall be left between all adjoining properties a party wall, which shall be at least

fifteen feet thick of which seven and one-half feet shall be on each property, and to the use of which the adjoining owners are entitled in common.

- (2) The owners are entitled to use the party wall in common as a roadway for all purposes providing the right to the use of the surface is first procured.
- (3) The roadway shall not be obstructed by the throwing of soil, rock or other material thereon, or in any other way, and any person obstructing the same in addition to any civil liability is liable to incur a penalty of not more than ten dollars for every day such obstruction continues.
- (4) Any such adjoining owners, in any case, may apply to the Minister or the proper officer appointed for that purpose who may make an order dispensing with the party wall, or providing for the working of any material therein, or otherwise, as he may deem just. [1949, c. 66, s. 152]
- **156.** (1) Before beginning actual mining operations on Notice of a claim acquired under the provisions of this Act, whether begin below ground or in open cut, the owner or lessee shall, in operations writing, at least fifteen days beforehand, notify the Minister or the proper officer appointed for that purpose of his intention to begin such operations and of the approximate date.

- (2) The notice is not required in the case of work that has for its object only the stripping or otherwise uncovering of an ore body solely as a means of prospecting.
- (3) The notice, which may be on forms to be obtained from the Department, shall contain the following information:
  - (a) the particular point on the claim at which a shaft or an adit is to be opened or open work begun;
  - (b) the name or number by which the shaft or other working will be known, which name or number shall not be changed without the consent of the Minister;
  - (c) the name and post office address of the person in charge of operations. [1949, c. 66, s. 153]
- 157. (1) If the owner or lessee neglects or fails to Cancellation notify the Minister or the proper officer appointed for that purpose of his intention to begin mining operations, or to furnish the information provided for, the Minister may cancel the claim or lease.

(2) Before suspending operations on any workings con- Suspension of operations nected with a shaft, adit or open cut for a period likely to exceed three months, the lessee shall in writing, at least fifteen days before the suspension takes effect, notify the Minister, or the proper officer appointed for that purpose.

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- (3) When the suspension is the result of accident and previous notice is impossible, the lessee shall state the cause and whether all workings have been surveyed.
- (4) Upon resumption of work on any mine after a delay of more than three months the lessee shall, within fifteen days of the resumption of work, notify the Minister or the proper officer appointed for that purpose of the date of resumption. [1949, c. 66, s. 154]

Notice of intention to abandon

- 158. (1) Before abandoning any workings in connection with any shaft, adit or open cut that as a result of such abandonment may become inaccessible, or in the event of complete abandonment of a mine in any case, the lessee shall, at least fifteen days before the abandonment and on forms to be obtained from the Department, notify the Minister, or the proper officer appointed for that purpose of the abandonment, unless the abandonment is due to accident, in which case the notice shall be sent at the first opportunity and the cause of the delay stated.
  - (2) The notice shall show:
    - (a) the reasons for abandonment;
  - (b) the approximate position of any workings that have not been shown on the mine plans and the reason why this has not been done;
  - (c) the amount of ore blocked out in the abandoned workings and its value per ton;
  - (d) the state of natural ventilation of the mine;
  - (e) the inflow of water and probable level to which it may rise;
  - (f) how it is proposed to fence each opening that may be dangerous to people on the surface, and that such fencing will be of a character that does not deteriorate rapidly.
- (3) In the case of complete abandonment the mine plans, notes, and so forth, shall accompany the notice or the lessee shall state how soon they will be sent in the event of their requiring time to complete. [1949, c. 66, s. 155]

#### Miscellaneous

Rights acquired prior to this Act 159. Nothing in this Act shall, save where such intention is expressly stated, be so construed as to affect prejudicially any mining rights and interests acquired prior to the first day of April, 1949, and all mining rights and privileges heretofore or hereunder acquired shall, without the same being expressly stated, be deemed to be taken and held subject to the rights of Her Majesty, her heirs, and successors and to the public rights of way and water.

[1949, c. 66, s. 156]

**160.** Affidavits and declarations made under the pro-Affidavits visions of this Act may be made before any person duly authorized to administer an oath or declaration.

[1949, c. 66, s. 157]

161. Nothing in this Act affects any litigation pending Pending litigation at the time this Act comes into force. [1949, c. 66, s. 158]

### **162.** A person who

Entry

- (a) has staked out a mineral claim or claims as nearly in accordance with the provisions of the regulations in force at the time of the passing of this Act as circumstances would permit, and
- (b) submits application for entry for such claim or claims within the prescribed delay,

may be granted entry for such claim or claims under the provisions of this Act if it can be shown to the satisfaction of the Mining Recorder for the district that a bona fide attempt was made to comply with the regulations at the time in force, and that the non-observance of any of the prescribed formalities was not of a character calculated to mislead others, and subject also to compliance within a reasonable period with such of the additional requirements of this Act as the Mining Recorder for the district considers necessary. [1949, c. 66, s. 159]

163. The Lieutenant Governor in Council may from time Regulations to time make such additional regulations governing the manner in which the mine is to be operated, as may appear to be necessary or expedient. [1949, c. 66, s. 160]

#### PART III

#### PLACER MINING

#### Interpretation

**164.** In this Part.

Interpre-

- (a) "base line" means a straight line or a succession of "base line" straight lines run by an Alberta land surveyor under proper instructions along the valley of a creek, and following the centre of such valley as far as its sinuosities can be made to conform to a straight line or a succession of straight lines, to be used as a base from which the boundaries of placer mining claims on such creek may be defined:
- (b) "claim" means any tract located or recorded for "claim" placer mining;
- (c) "creek" includes all natural watercourses, whether "creek" usually containing water or not, but does not in-

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clude streams having an average general width of one hundred feet or more at the low-water stage thereof;

"holder"

(d) "holder" means the holder of a claim according to the records of the Department;

"placer mining" (e) "placer mining" means every mode and method of working whatsoever whereby earth, soil, clay, gravel, sand or cement may be removed, washed, sifted, or refined, or otherwise dealt with, for the purpose of obtaining gold, or other precious minerals or stones, but does not include the working of rock in place;

"river"

(f) "river" means a stream of water having an average general width of at least one hundred feet at the low-water stage thereof.

[1949, c. 66, s. 161; 1951, c. 52, s. 25]

### **Application of Part**

Application of Part

**165.** This Part applies to all natural strata, beds or deposits of earth, soil, clay, gravel, sand or cement, carrying gold or other precious minerals or stones, and being the property of the Crown. [1949, c. 66, s. 162]

### Acquisition of Claims

Prospecting on Crown lands **166.** (1) Every person eighteen years of age or over may personally enter, locate and prospect upon any vacant Crown lands for any mineral to which this Part applies and upon all other lands to which the right to enter is reserved to the Crown.

Prospecting on private lands

- (2) Notwithstanding the provisions of section 27 or of any other Act, a *bona fide* prospector may enter, locate, prospect and stake out a claim for minerals to which this Part applies on lands owned or occupied by any person, except
  - (a) lands on which any building, church or cemetery is located,
  - (b) lands within the curtilage of a dwelling house,
  - (c) lands on which crops that may be damaged by the prospecting are growing,
  - (d) lands used for a garden, nursery or pleasure ground,
  - (e) lands upon which any spring, artificial reservoir or dam is situate,
  - (f) lands suitable for water power, or
  - (g) lands lawfully occupied for mining purposes.
- (3) No person may enter, locate, prospect and stake out a claim for minerals pursuant to this Part
  - (a) on lands granted by the Crown for the exploration or development of a mineral, or

(b) on lands in which a mineral has been reserved pursuant to this Act,

unless the consent of the Minister in writing is first obtained. [1949, c. 66, s. 163; 1954, c. 65, s. 20]

#### How a Claim Shall be Staked

- 167. Claims shall be classified as creek claims, river Classification of claims and inland claims. [1949, c. 66, s. 164] claims
- 168. (1) A creek claim shall not exceed five hundred Creek claim feet in length measured along the base line of the creek established by a survey authorized by the Minister.
- (2) Every creek claim shall be as nearly as possible rectangular in form, and shall be marked by two legal posts firmly fixed in the ground on the base line at each end of the claim.
- (3) In the event of the base line not being established, the claim may be staked along the general direction of the valley of the creek but in such case when the base line is established the boundaries thereby defined shall be conformed to.
- (4) The rear boundaries of a creek claim shall be parallel to the base line and shall be defined by measuring one thousand feet on each side of the base line so that the claim will include the bed of the creek and a tract extending for one thousand feet on each side of the base line thereof.
- (5) The survey that establishes the base line of a creek shall at the same time establish the side lines of claims located on the creek and shall be a final determination of the position of such base line and side lines.

[1949, c. 66, s. 165]

- **169.** (1) A river claim shall be situated on one side of the river only and shall not exceed one thousand feet in length measured in the general direction of the river.
- (2) The rear boundary of the claim that runs in the general direction of the river shall be defined by measuring one thousand feet from the low-water mark of the river.
- (3) Every river claim shall be as nearly as possible rectangular in form and shall be marked by two legal posts firmly fixed in the ground at each end of the claim on the margin of the river. [1949, c. 66, s. 166]
- 170. (1) Inland claims shall be situated elsewhere than Inland on a creek or river and shall not exceed one thousand feet in length by one thousand feet in breadth.
- (2) If such claims front towards a creek or river they shall be staked as nearly as possible in the general direction of the valley of the creek or river towards which they front.

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(3) Inland claims shall be as nearly as possible rectangular in form and shall be marked by two legal posts firmly fixed in the ground in a line parallel to and on the side nearest to the creek or river towards which they may front.

[1949, c. 66, s. 167]

Method of staking claim

- 171. (1) The line between the two posts shall be well cut out so that one post, if the nature of the surface permits, may be seen from the other.
- (2) One of the flatted sides of each post shall face the claim and on each post shall be written on the side facing the claim a legible notice stating,
  - (a) the name or number of the claim or both if possible,
  - (b) the length of the claim in feet,
  - (c) the date when staked, and
  - (d) the full Christian name and the surname of the locator. [1949, c. 66, s. 168]

Numbering and moving of posts

- **172.** (1) The posts shall be No. 1 and No. 2 respectively.
- (2) No person shall move the No. 1 post.
- (3) The No. 2 post may be moved by an Alberta land surveyor if the distance between the posts exceeds the length prescribed by this Part. [1949, c. 66, s. 169]

Validity of claim

173. Notwithstanding anything in this Act, failure on the part of the locator of a claim to comply with any of the foregoing provisions shall not be deemed to invalidate his claim, if, upon the facts it appears to the satisfaction of the Mining Recorder that there has been on the part of the locator a bona fide attempt to comply with the provisions of this Part, and that the non-observance of the provisions hereinbefore referred to is not of a character calculated to mislead other persons desiring to locate claims in the vicinity. [1949, c. 66, s. 170]

First creek claim

- 174. (1) A person or party of persons locating the first creek claim on any stream or watercourse, or locating a creek claim on any stream upon which there is no recorded claim, is entitled to a claim or claims respectively of the following size, namely:
  - (a) for one locator, one claim, one thousand five hundred feet in length;
  - (b) for a party of two locators, two claims, each one thousand two hundred and fifty feet in length;
  - (c) for a party of more than two locators, one claim for each member of the party, of which two claims may be one thousand feet in length, and the remainder of the ordinary size.

First river or inland claim or inland claim on any river, hill, bench, bar or plain, or locating such a claim on any river, hill, bench, bar or plain

upon which there is no recorded claim, is entitled to a claim or claims respectively of the following size, namely:

- (a) for one locator, one claim, three thousand feet in length:
- (b) for a party of two locators, two claims, each two thousand five hundred feet in length;
- (c) for a party of more than two locators, one claim for each member of the party, of which two claims may be two thousand feet in length, and the remainder of the ordinary size. [1949, c. 66, s. 171]
- 175. The boundaries of any claim for which a certificate Boundaries of record has been issued by order of the Mining Recorder upon application by the owner thereof may be enlarged to the size of the claim allowed by this Part, if the enlargement will not interfere with any mining property owned by any [1949, c. 66, s. 172] other person.

### Recording Claims

176. The form of application to record shall be in Form Application in the Schodule and the forms of contificate of record and for claim D in the Schedule and the forms of certificate of record, and of renewal of a claim shall be prescribed by the Minister.

[1949, c. 66, s. 173]

177. (1) An application to record a claim shall be filed Time for parson with the Mining Recorder for the district in which filing claim in person with the Mining Recorder for the district in which the claim is situated, within fifteen days after the location thereof, if it is located within fifty miles of the Mining Recorder's office.

- (2) One extra day for recording the application shall be allowed for every additional ten miles or fraction thereof in excess of fifty miles.
- (3) The locator shall submit with his application a plan in duplicate showing as clearly as possible,
  - (a) the position of the claim applied for in its relation to the prominent topographical features of the district and to the adjoining claims, or some other known point, and
  - (b) the position of the posts by which the claim is marked on the ground.
- (4) The application shall not be recorded until the prescribed fee has been paid.
- (5) A claim that is not recorded within the prescribed period shall be deemed to have been abandoned and forfeited, without any declaration of cancellation or abandonment on the part of the Crown.

[1949, c. 66, s. 174; 1951, c. 52, s. 26]

178. A locator, having duly recorded a claim, may ob- Certificate tain therefor a certificate of record of placer claim for one placer claim year if he has furnished to the Mining Recorder all the particulars necessary for the record.

Staking on Sunday

179. The staking of a claim on Sunday or any public holiday is not for that reason invalid. [1949, c. 66, s. 176]

Emergency recorder

- **180.** (1) Where a claim is more than one hundred miles from the Mining Recorder's office and situated where other claims are being located, the locators, not less than five in number, may meet and appoint an "emergency recorder".
- (2) The emergency recorder shall note on each application the date upon which the application was received by him and the amount of fees paid in respect thereof.
- (3) The emergency recorder shall, at the earliest possible date after his appointment, notify the Mining Recorder for the district in which the claims are situated of his appointment, and he shall deliver in person to the Mining Recorder the applications that he has received for claims and the fees that he has collected for recording the same.
- (4) The Mining Recorder shall then grant to each person from whom the emergency recorder has accepted an application and fee, a certificate of record for his claim if the application was made in accordance with the provisions of this Act and in Form D in the Schedule.
- (5) The certificate shall date from the day the emergency recorder accepted the application and fee.
- (6) Where the emergency recorder fails to notify the Mining Recorder of his appointment within the time from the date thereof equal to that prescribed for recording claims by section 177 or fails to deliver to the Mining Recorder within an additional fifteen days the applications received and fees collected, the Mining Recorder may refuse to record the claims. [1949, c. 66, s. 177; 1950, c. 42, s. 13.]

Personal staking

- **181.** (1) No application shall be received for a claim that has not been staked by the applicant in person in the manner specified in this Part.
- (2) Notwithstanding subsection (1), a person who satisfies the Mining Recorder that he is about to undertake a bona fide prospecting trip, and files with the Mining Recorder in advance a power of attorney from not more than two persons authorizing such person to stake claims for them in consideration of their having enabled him to undertake the trip, may, within the valley or basin of any creek or river upon which he makes a discovery, stake one claim of the ordinary size in the name of each of such persons.

  [1949, c. 66, s. 178]

Abandonment of claim

**182.** (1) The holder of a claim may at any time abandon it if he has complied in every respect with the provisions of this Act and if all payments on account of any liability to the Crown and due by him in connection with such claim have been fully made.

- (2) Notice in writing of his intention to abandon shall be given to the Mining Recorder and from the date of the receipt of such notice all interest of the holder in such claim ceases.
- (3) Upon abandonment or loss of rights in a claim the Mining Recorder shall forthwith enter a note thereof, with the date of the abandonment or loss, upon the record of the claim and shall mark the record of the claim "lapsed".
- (4) When the holder of a claim abandons it he has the right to take from the claim any personal property that he may have placed on the claim if there is compliance with subsection (1) within such time as may be fixed by the Minister.
- (5) No claim shall be relocated until after notice of the abandonment has been posted up for at least thirty days in the office of the Mining Recorder.

[1949, c. 66, s. 179; 1951, c. 52, s. 28.]

183. A person having located a claim does not have Location of the right to locate another claim within the valley or basin of claim the same creek or river within sixty days of the date on which he has located the claim except when staking in the name of another person in accordance with subsection (2) of section 181. [1949, c. 66, s. 180; 1954, c. 65, s. 21]

184. During the absence of the Mining Recorder from Delegation of duties of his office, an application to record a claim may be received Recorder by any person whom he may appoint to perform his duties in his absence. [1949, c. 66, s. 181]

#### Disputes

185. (1) Where two or more persons lay claim to the Priority in same tract, or where the record indicates that a tract is staking comprised in the stakings of more than one placer claim, then the person who was first to take possession of the tract by staking in the manner prescribed and who has complied with the recording requirements, shall have the right to the certificate of record of placer claim.

- (2) The person who has the right to the certificate in accordance with subsection (1) shall be determined by the Minister, who may consider evidence submitted by affidavit, and may have such other investigation made as he considers the situation warrants.
- (3) The decision of the Minister as to the right to a certificate is final and there is no appeal therefrom.
- (4) If a certificate has been issued to a person other than the one who is found to have the right to the tract, the certificate or such portion thereof as may be decided by the Minister shall be cancelled by the Minister, and the record shall be amended accordingly. [1951, c. 52, s. 29.]

### Representation Work Required to be Done

Renewal

- 186. Any person, having received a certificate of record of placer claim that has not been cancelled pursuant to section 185, is entitled to hold the claim for a period of one year from the date of recording the claim, and from year to year thereafter upon payment of the renewal fee prescribed, if such person
  - (a) during the first year and during each succeeding year, does, or causes to be done, work on the claim to the value of one hundred and fifty dollars and satisfactory to the Mining Recorder, and
  - (b) files with the Mining Recorder within fourteen days after the date of the expiration of each year an affidavit made by such person or his agent, stating that such work has been done and setting out a detailed statement thereof.

[1949, c. 66, s. 182; 1950, c. 42, s. 14; 1951, c. 52, s. 30]

Forfeiture

**187.** In the event of the work referred to in section 186 not being done as therein provided, the rights of the owner to the claim thereupon become absolutely forfeited and the claim shall forthwith be open for relocation without any declaration of cancellation or forfeiture on the part of the Crown. [1949, c. 66, s. 183]

Relocated

- **188.** (1) If the owner of a claim has done the required work thereon but has failed to apply for a renewal by the expiration of the period of fourteen days provided therefor, the Mining Recorder may issue a certificate of record to any person relocating such claim.
- (2) The owner may, within six months after the date at which his claim came due for renewal, apply for the cancellation of any certificate of record so issued and such certificate of record shall be cancelled if.
  - (a) it is proved to the satisfaction of the Mining Recorder that the required work was done by the owner,
  - (b) the owner pays a renewal fee of twenty-five dollars for an application made during the first three months or a renewal fee of fifty dollars for an application made during the second three months, and
  - (c) the owner pays the expenses to which the relocator has been put in locating and applying for the said claim and obtaining a certificate of record thereof, and compensation for any bona fide work that the relocator has performed thereon, less the reasonable value of any mineral that he has taken out. [1949, c. 66, s. 184]

Proportiontributions

189. (1) If two or more persons own a claim, each such person shall contribute proportionately to his interest to by co-owners the work required to be done thereon.

- (2) If it is proved to the satisfaction of the Mining Recorder, after notice of hearing has been served as directed on all parties interested, that any co-owner has not done his proportion of the work, the interest of the co-owner may be vested by order of the Mining Recorder in the other coowner or co-owners in proportion to their former interests. [1949, c. 66, s. 185]
- 190. (1) A person receiving a certificate of record of a which holder claim is entitled to all minerals to which this Part applies is entitled and that are the property of the Crown and lie within his claim.

- (2) The certificate of record of a claim shall reserve to the Crown such royalty on the sales of the products as may from time to time be fixed by order of the Lieutenant Governor in Council, and the royalty shall be collected in such manner as may be prescribed by the Minister.
- (3) The same royalty may be collected on any sales that have been made prior to the recording of a claim. [1949, c. 66, s. 186]
- 191. (1) The owner of a claim may sell, mortgage, or Disposition dispose of the claim if the instrument of disposition is deposited, in duplicate, with the Mining Recorder.

- (2) A conveyance, bill of sale, mortgage or other document of title relating to a claim granted under the provisions of this Part may be recorded with the Mining Recorder.
- (3) The Mining Recorder is not required to record an assignment conveying less than an undivided one-quarter interest in such claim.
- (4) The failure to record any such document does not invalidate the same as between the parties thereto but the document, in so far as it affects a third party, takes effect from the date of record and not from the date of the document. [1949, c. 66, s. 187]
- 192. No person shall suffer from any acts of omission Delays by or commission or delays on the part of any government official, if such can be proven to the satisfaction of the Minister. [1949, c. 66, s. 188; 1951, c. 52, s. 31] Minister.

193. (1) Whenever, through the acts or defaults of any Evidence of claim person other than the recorded owner of a claim or his agent destroyed by him duly authorized, the evidence of the claim on the ground or the position of the claim has been destroyed, lost or effaced, or is difficult of ascertainment, effect shall nevertheless be given to the claim as far as possible.

(2) The Mining Recorder may make all necessary inquiries, directions and references in the premises for the purposes of carrying out the object of the claim and vesting title in the recorded owner. [1949, c. 66, s. 189]

# Grouping

Grouping of claims

- 194. (1) Upon application being made to him by any person or persons owning adjoining claims not exceeding ten in number, the Mining Recorder may grant permission, for a term not exceeding ten years, to any person or persons to perform on any one or more of such claims all the work required to entitle him or them to renewals for each claim so held by him or them.
- (2) Where the application is made by more than one person, the applicants shall file with the Mining Recorder a deed of partnership creating a joint liability between the owners of the claims for the joint working thereof.

[1949, c. 66, s. 190]

Renewal of certificates of record of grouped claims

- 195. (1) Certificates of record of claims in respect of which such permission has been granted and certificates of record of any claims within a mining district owned by one person may be made renewable by the Mining Recorder on the same day.
- (2) In granting the privilege allowed under this section the Mining Recorder shall charge the applicant two dollars and fifty cents for every three months or portion thereof for each claim during that portion of the year it is necessary to renew the same to make all the claims renewable on the same day.
- (3) The representation work required for the fractional portion of the year for which each claim is renewed shall be allowed at the rate of thirty-seven dollars and fifty cents for each three months or fraction thereof, and the said representation work shall be performed and recorded on or before the date from which all the claims are first made renewable.

  [1949, c. 66, s. 191]

#### Water Rights

Water rights

196. Before taking or using any of the water naturally flowing through or past his claim, the person owning the claim shall obtain, under the provisions of *The Water Resources Act* and regulations made thereunder, a licence to divert or make use of such water not already lawfully appropriated as may be necessary for the due working of his claim.

[1949, c. 66, s. 192]

#### Claims of Deceased or Insane Persons

Claims of deceased or insane persons

- **197.** If the owner of a claim dies, or is adjudged to be insane, the provisions as to abandonment do not apply,
  - (a) in the case of death, either during his last illness or after his decease, or
  - (b) in the case of insanity, either after he has been so adjudged, or, if it appears that the neglect or omission on account or by reason of which such claim would otherwise have been deemed to be abandoned was attributable to his insanity, during such period

prior to his having been so adjudged as he is shown to have been insane. [1949, c. 66, s. 193]

198. (1) The Minister may either cause the mining working of claims property of any such deceased or insane person to be worked in the usual manner or he may authorize the working of such property to be dispensed with for such periods as the necessity of the case may, in his opinion, demand.

- (2) The Minister, if he sees fit, and if there is no other legal representative, may cause the property to be taken possession of and administered by the Public Trustee subject to the provisions of the laws of the Province respecting the administration of the estates of deceased or insane persons.
  - (3) All charges and expenses that may be incurred
    - (a) in or about the working of such mining property, or
    - (b) in taking or keeping possession thereof,

by a person acting under the instructions of the Minister constitute a first charge against such mining property until duly paid. [1949, c. 66, s. 194; 1951, c. 52, s. 32]

199. (1) Where there is any dispute as to boundaries Survey or measurements or where in the opinion of the Minister the definite location of a claim is necessary, the Minister may employ an Alberta land surveyor to survey and define such claim, and the expense thereof shall be paid by the holder of the claim.

- (2) If the expense is not paid within sixty days from the date of the demand notice, the Minister may cancel the claim.
- (3) The plan of survey on linen tracing cloth together with field notes shall be filed by the surveyor with the Director of Mineral Rights and the survey so made shall constitute the actual claim.

[1949, c. 66, s. 195; 1951, c. 52, s. 33]

#### Miscellaneous

200. The Lieutenant Governor in Council may, from Additional regulations time to time, make such additional regulations governing the manner in which placer mining operations are to be conducted as may appear to be necessary or expedient. [1949, c. 66, s. 196]

#### PART IV

# COAL MINING

#### Leases

201. (1) The coal-mining rights that are the property Lease for of the Crown may be leased to applicants at an annual rental coal mining of one dollar an acre payable yearly in advance.

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- (2) The term of the lease shall be for twenty-one years and the lease is
  - (a) renewable for one further term of twenty-one years subject to the provisions of this Act and the regulations in force at the time the renewal is granted, if the lessee furnishes evidence satisfactory to the Minister that during the term of the lease he has complied fully with the conditions of the lease and with the provisions of this Act and the regulations in force from time to time during the currency of the lease, and
  - (b) renewable for further terms of twenty-one years each upon such terms and conditions as may be prescribed by the Lieutenant Governor in Council. [1949, c. 66, s. 197]

Size of location

- **202.** (1) The maximum area of a location shall be two thousand five hundred and sixty acres and no person shall be permitted to acquire a greater area except by assignment.
  - (2) The minimum area of a location shall be forty acres.
- (3) No lease shall be granted to any applicant who is indebted to the Province for royalty on coal mining.

  [1949, c. 66, s. 198]

Filing of lease 203. Application for a lease of coal-mining rights shall be filed by the applicant in person with the Mining Recorder for the district in which the rights applied for are situated.

[1949, c. 66, s. 199]

Description in surveyed territory

- 204. (1) If the tract applied for is situated in surveyed territory it shall consist of sections or legal subdivisions and in the discretion of the Minister may include parts of legal subdivisions but the several parcels comprising the tract shall be adjoining, and the length of the tract shall not exceed four times its breadth.
- (2) In unsurveyed territory, if at least one of the lines bounding the tract applied for has been surveyed, an application for a lease of an area not in excess of six hundred and forty acres may be considered if the length of the tract does not exceed its breadth. [1949, c. 66, s. 200]

Description in unsurveyed territory

- **205.** (1) Application for a tract situated in unsurveyed territory shall contain a description by metes and bounds, and shall be accompanied by a plan in duplicate showing the position of the tract in its relation to some prominent topographical feature of the district or some other known point and to any adjoining locations.
- (2) The location shall be staked along its greater dimension and shall be rectangular in form, except where a boundary of a previously located tract is adopted as common to both locations.
- (3) The length of the location shall not exceed four times the breadth.

(4) Application shall be made within thirty days from the date the tract was staked, and one extra day shall be allowed for every additional twenty-five miles or fraction thereof that the tract is distant more than two hundred miles in a direct line from the office of the Mining Recorder.

[1949, c. 66, s. 201]

#### How a Location Shall be Staked

- **206.** Evidence supported by affidavit of the locator shall Staking of accompany the application to show that the applicant has complied fully with the following requirements:
  - (a) that the locator in person has defined the tract applied for on the ground by two legal posts, numbered "1" and "2" respectively;
  - (b) that the distance between post No. 1 and post No. 2 does not exceed twenty-one thousand, one hundred and twenty feet;
  - (c) that post No. 1 is inscribed "Initial Post";
  - (d) that clear and legible inscriptions have been marked on the posts by knife, marking iron, or crayon in such a way that they will not become illegible or obliterated;
  - (e) that on post No. 1 on the side facing in the direction of post No. 2 there has been marked, beginning near the top of the portion faced and extending downward, the following:
    - (i) coal;
    - (ii) No. 1 Initial Post;
    - (iii) the name of the locator;
    - (iv) the date and hour of staking out;
    - (v) the approximate compass bearing of post No. 2;
    - (vi) the distance in feet between post No. 1 and post No. 2;
    - (vii) the distance in feet the location lies to the right or to the left when the locator is facing in the direction of post No. 2;
  - (f) that on post No. 2 on the side facing in the direction of post No. 1 there has been marked, beginning near the top of the portion faced and extending downward, the following:
    - (i) No. 2;
    - (ii) the name of the locator;
    - (iii) the approximate compass bearing of post No. 1;
    - (iv) the distance in feet between post No. 2 and post No. 1. [1949, c. 66, s. 202]
- **207.** (1) All the particulars inscribed on post No. 1 and Particulars post No. 2 shall be furnished by the locator to the Mining for recording Recorder in writing at the time the application is made.

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(2) Errors or omissions in staking that, in the opinion of the Minister, were not deliberately made to mislead any subsequent intending applicant, do not invalidate the staking, but the Minister may require the applicant to make the necessary corrections immediately. [1949, c. 66, s. 203]

Marking location

- 208. (1) When the tract has been defined, the locator shall mark out immediately the location line between post No. 1 and post No. 2 so that it can be distinctly seen in a timbered locality by blazing trees and cutting underbrush, and in a locality where there is neither timber nor underbrush he shall set posts or erect mounds of earth or rock in such a manner that the line may be distinctly seen.
- (2) In a timbered locality, an area of ten feet square shall be cleared around each post by cutting the underbrush so that the post will be clearly discernible at a reasonable distance. [1949, c. 66, s. 204]

# **Disputes**

Dispute

**209.** Where two or more persons lay claim to the same tract situated in unsurveyed territory, the person who proves to the satisfaction of the Minister that he was the first to take possession of the tract in dispute by staking in the manner prescribed and that he made application for a lease within the specified time has the right to the lease.

[1949, c. 66, s. 205]

#### Surveys

Surveys

- **210.** (1) If, for any reason, the Minister considers it necessary or advisable to have a survey or resurvey made of any tract applied for or location leased to determine the exact position of the tract or location, or in order to settle any dispute that may arise respecting the same, the Minister may direct that such a survey or resurvey be made by an Alberta land surveyor under proper instructions.
- (2) The Minister may require payment in advance of the costs of the survey or resurvey to be made by the applicant for, or the recorded owner of, the tract or location to be surveyed in whole or in part, or the Minister may require such portion of the payment of the costs as seems to him just.
- (3) If the applicant or lessee fails to make such payment in advance when called upon to do so by the Minister, the Minister, in his discretion, may cancel the application or lease.
- (4) The surveyor shall file with the Department, plans, notes and any other information that may be required to determine the exact position of the location, and the Department shall give a copy of such information to the applicant or lessee, as the case may be. [1949, c. 66, s. 206]

Moving of posts

- 211. (1) No person shall move post No. 1.
- (2) Post No. 2 may be moved by an Alberta land surveyor when it is found, upon making the survey or resurvey, that

the distance between post No. 1 and post No. 2 exceeds the distance given by the applicant in his application for lease.

(3) When post No. 2 is moved or substituted by an Alberta land surveyor, the surveyor shall plant it firmly on the location line at the distance from post No. 1 given by the applicant in his application for lease.

[1949, c. 66, s. 207; 1950, c. 42, s. 15.]

212. (1) As soon as a location or any portion thereof Amendment embraces areas that have been surveyed, the Minister, after of description consultation with the lessee, may amend the description by describing the surveyed areas by sections, quarter-sections, legal subdivisions or parts thereof.

(2) The decision of the Minister as to the surveyed lands to be included in the lease is conclusive and final and there is no appeal therefrom. [1949, c. 66, s. 208]

# Work Required to be Done

213. (1) The lessee shall commence active operations Work on his leasehold within one year from the date upon which he to be done is notified by the Minister to do so and shall produce from such operations the quantity of coal specified in the notice.

- (2) The notice shall not be given until the expiration of at least one year from the date of the lease and it shall set out the quantity of coal that the lessee is required to mine and produce at the pit's mouth and ready for shipment.
- (3) The quantity may be increased from time to time upon thirty days' notice to that effect being given to the lessee, but in no case shall the maximum quantity required to be mined exceed ten tons per annum for each acre leased.
- (4) In case operations are not commenced within the time specified in the notice or if the required quantity of coal is not mined during each year, the Minister, in his discretion, may cancel the lease. [1949, c. 66, s. 209]

#### Transfer of Lease

214. The lessee shall not assign, transfer or sublet the Transfer rights described in his lease, or any part thereof, without the consent in writing of the Minister being first had and obtained. [1949, c. 66, s. 210]

# Conditions of Lease

215. Every lease of coal-mining rights issued under Settlers entitled to this Act is subject to the provision that actual settlers buy shall be entitled to buy at the pit's mouth whatever coal they may require for their own use, but not for barter or sale, at a price not exceeding three dollars and seventy-five cents per [1949, c. 66, s. 211]

216. (1) The prescribed fee and the rental for the first Fee and rental year shall accompany each application for a lease.

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(2) The fee and rental will be refunded if the rights applied for are not available, but not otherwise.

[1949, c. 66, s. 212]

Date

**217.** (1) The lease shall bear the date of issue, which shall also be the commencement of the term.

Cancellation for nonpayment of rent (2) If during the term of the lease the lessee fails to pay the rental in advance for each subsequent year within thirty days after the date upon which the same became due whether demand is made or not, the Minister, in his discretion, may cancel the lease. [1949, c. 66, s. 213]

# Royalty on Leases

Royalty on leases

- **218.** (1) The coal mined or excavated from a location acquired under this Part is subject to the payment to Her Majesty of the royalty provided for by section 220.
- (2) The royalty shall be collected in such manner as may be specified by the Minister.
- (3) If the lessee fails or neglects to make prompt payment of the royalty the Minister may cancel the lease.

[1949, c. 66, s. 214; 1954, c. 65, s. 22]

Returns required

- 219. (1) The lessee or his agent authorized in writing shall, not later than the twenty-fifth day of the month, file with the Department, on forms prescribed by the Minister, a report accounting for the full quantity of coal mined during the preceding month.
- (2) Every lessee of coal-mining rights that are not being operated shall furnish the Department with a sworn statement to that effect at least once every three months.
- (3) If, after the lessee of the location has been requested in writing to forward any overdue report, the Minister deems it necessary to send an officer of the Department to secure the same, the Minister may charge to the lessee the expenses incurred in connection with securing the report.
- (4) If the lessee fails or neglects to make payment of the expenses so incurred, the Minister may cancel the lease summarily.
- (5) If a person attempts by making false statements to defraud the Crown of any part of the revenue thus provided for, the Minister in his discretion may cancel the lease summarily.
- (6) In respect of the facts as to fraud or false statements or non-payment of royalty or failure to furnish reports the decision of the Minister is final.

[1949, c. 66, s. 215; 1955, c. 37, s. 11]

#### General Royalty Provision

Royalty on coal **220.** (1) Notwithstanding subsection (2) of section 34, the royalty to be computed, levied and collected on any coal mined or excavated, pursuant to a lease made under this Act or *The Provincial Lands Act* or pursuant to a

lease comprising a road allowance, shall be ten cents per ton, or such other royalty as may be prescribed from time to time by the Lieutenant Governor in Council.

- (2) Notwithstanding subsection (2) of section 34 and subsection (1) of this section, the royalty to be computed, levied and collected on any coal mined or excavated pursuant to a lease issued by the Próvince as the first renewal of a lease granted under the Dominion Lands Act. and containing a renewal provision, shall, while the location is held under such first renewal lease, be five cents per ton. [1949, c. 66, s. 216; 1954, c. 65, s. 23]
- 221. Where the payment of a royalty has been reserved Royalty on coal granted to the Crown in the right of Canada in any patent or agree- by Canada ment for sale that conveys coal or the right to mine, win, work or excavate the same, the royalty to be computed, levied and collected and paid to Her Majesty in the right of the Province on any coal mined or excavated, shall be

- (a) seven cents per ton, or
- (b) such other royalty as may be prescribed from time to time by the Lieutenant Governor in Council in accordance with the terms of the agreement between the Province and Canada and referred to in the Schedule of The Alberta Natural Resources Act, being chapter 21 of the Statutes of Alberta. 1930.

[1954, c. 65, s. 23]

#### Miscellaneous

222. (1) Notwithstanding the terms and provisions of Mining near any certificate of title, conveyance, agreement of sale, lease, lines boundary licence, permit or other evidence of title under which he has heretofore acquired or hereafter acquires coal, or the right to mine and excavate the same, no person

- (a) shall mine or excavate any coal that lies within thirty feet of any of the boundary lines of the location area or parcel held by him as aforesaid, or
- (b) shall, without the permission of the Minister first had and obtained, excavate any coal, or make or cause or permit to be made any opening into any adjoining lands through the said barrier.
- (2) "Boundary lines" in this section means the vertical planes or lines in which the surface boundaries of the location or parcel lie. [1949, c. 66, s. 217; 1955, c. 37, s. 12]
- 223. When a lessee wishes to abandon a location where Abandonoperations have been conducted, he shall obtain written per-location mission to do so from the Minister before removing any part of the machinery or structures that have been erected upon the premises. [1949, c. 66, s. 218]

224. (1) Notwithstanding section 5 the lessee shall, Information required by before opening any mine on the location described in the Minister

lease and before extracting any coal therefrom, submit to the Minister plans and specifications showing in detail the manner in which it is proposed to open up, develop and operate such mine.

- (2) If the location contains more than one seam of coal, detailed information shall be furnished as to the particular seam that it is proposed to develop.
- (3) No work shall be commenced for the recovery of coal, and no coal shall be extracted, until such plans and specifications have been approved by the Department.
- (4) The procedure to be adopted in opening up and operating a mine on the location as well as the particular seam of coal that will first be operated shall at all times be in accordance with the provisions of *The Coal Mines Regulation Act*, and, if the lessee fails to comply with the provisions of that Act, the Minister, in his discretion, may cancel the lease. [1949, c. 66, s. 219; 1955, c. 37, s. 2]

### PART V

#### MINING IN ROAD ALLOWANCES

# Coal Mining Leases

Coal leases in road allowances **225.** The provisions of Part IV relating to the leasing of coal-mining rights that are the property of the Crown apply, as far as practicable, to leases of coal-mining rights in road allowances except as hereinafter provided.

[1949. c. 66. s. 221]

Rental

**226.** (1) Coal-mining rights in road allowances may be leased to applicants at an annual rental of five dollars payable yearly in advance.

Term

(2) The term of the lease or any renewal thereof shall not exceed twenty-one years and may be for such lesser period as the Minister may prescribe. [1949, c. 66, s. 222]

Application for lease

**227.** No application for a lease shall be considered unless the applicant satisfies the Minister that he has the right to win, work and get the coal in the properties adjoining on both sides of the road allowance. [1949, c. 66, s. 223]

One mile of road allowance

228. No lease shall be issued for more than one mile of road allowance, but the block at the intersection of two road allowances may in addition be included in a lease.

[1949, c. 66, s. 224; 1955, c. 37, s. 14]

Adjoining coal

229. (1) If the Minister has reason to believe that the lessee no longer has the right to win, work and get the

coal from any property adjacent to his road allowance lease. the Minister may give to the lessee a period of thirty days to submit evidence as to his ownership.

- (2) If the lessee fails to submit evidence satisfactory to the Minister within such period the Minister in his discretion may cancel the lease summarily. [1949, c. 66, s. 225]
- 230. (1) A lease granted for coal-mining rights in a Conditions road allowance may include such conditions, provisions, allowance restrictions and stipulations as the Minister may prescribe restrictions and stipulations as the Minister may prescribe.

(2) If the lessee fails to comply with such conditions, provisions, restrictions and stipulations, the Minister in his discretion may cancel the lease summarily.

[1949, c. 66, s. 226]

231. (1) If by reason of the working of the lease any Damage road allowance is damaged in any way, the lessee shall be allowance responsible for the damage and for any other loss or damage arising therefrom and may be required to remedy the same.

- (2) If the lessee fails to remedy the damage within the time specified by the Minister, the Minister may have such repairs made as he may deem necessary and the cost of such repairs constitute a debt payable by the lessee to the Minister on demand.
- (3) If the lessee fails to pay such debt he is guilty of a contravention of this Act. [1949, c. 66, s. 227]
- 232. Where coal-mining rights in a road allowance are Returns held under lease and
  - (a) are adjacent to property that is subject to royalty as prescribed by subsection (1) of section 220, the returns accounting for the full quantity of coal mined may be included in the returns for the adjacent property, or
  - (b) are not adjacent to property that is subject to royalty as prescribed by subsection (1) of section 220, the lessee shall, at least every six months, have the holder of a mine surveyor's certificate issued pursuant to The Coal Mines Regulation Act, survey the workings of the mine in so far as they relate to the area included in the road allowance lease, and within thirty days thereafter the lessee or his agent authorized in writing shall supply to the Department, on forms prescribed by the Minister, a report accounting for the full quantity of coal mined during such period.

[1949, c. 66, s. 228; 1955, c. 37, ss. 2 & 15]

[1949, c. 66, s. 229; 1954, c. 65, s. 24]

#### Other Leases

233. No lease shall be granted for the right to win, work Other road and get any mineral within, upon or under any road allow- leases ance, other than coal, petroleum or natural gas, unless with the approval of the Lieutenant Governor in Council.

#### General

Orders of Minister of Highways 234. (1) Without compensation of any nature whatsoever a lessee shall, at all times during the term of the road allowance lease and any renewal thereof, perform, observe and comply with the orders or directions of any nature whatsoever of the Minister of Highways or such person as he may appoint and, without derogating from the generality of the foregoing, such orders or directions may require the construction and maintenance of a temporary road and such reconstruction and surfacing, including gravelling, of the road allowance as the Minister of Highways may deem necessary.

Orders of Director of Mines (2) Without compensation of any nature whatsoever the lessee shall, at all times during the term of the road allowance lease and any renewal thereof, perform, observe and comply with the orders and directions of the Director of Mines affecting underground operations and, without derogating from the generality of the foregoing, such orders or directions may require such measures as the Director of Mines may consider necessary to prevent any subsidence.

[1949, c. 66, s. 230; 1952, c. 55, s. 4]

#### PART VI

# PETROLEUM AND NATURAL GAS

#### Leases

Leases of petroleum and natural gas

- 235. (1) The petroleum and natural gas rights that are the property of the Crown may be leased to applicants at an annual rental of one dollar an acre, payable yearly in advance.
- (2) The term of the lease shall be for twenty-one years renewable for further terms of twenty-one years each so long as the location is capable of producing petroleum or natural gas in commercial quantity.
- (3) Each lease is subject to all the provisions of this Act and the regulations in force from time to time during its currency, and each renewal thereof shall be granted in accordance with the provisions of this Act and the regulations in force at the time of the granting of such renewal and is subject to all of the provisions of this Act and the regulations in force from time to time during its currency.

  [1949, c. 66, s. 231]

size and shape of location

- 236. (1) A location shall be square or rectangular in shape.
- (2) The maximum area of a location in the form of a square shall be nine sections or five thousand seven hundred and sixty acres and in the form of a rectangle shall be eight sections or five thousand one hundred and twenty acres.

- (3) Except as otherwise provided in sections 237, 265 and 267 the minimum area of a location shall be a quarter section.
- (4) The maximum length of the tract shall be four miles and in no case shall the length exceed twice the breadth. [1949, c. 66, s. 232]

237. (1) If the tract applied for is situated in surveyed Description territory, it shall consist of sections or quarter-sections.

- (2) Notwithstanding subsection (1) of this section and subsections (1) and (4) of section 236, an application for a lease out of a reservation may comprise a legal subdivision or adjoining legal subdivision or any portion of a legal subdivision if the holder of the reservation submits evidence satisfactory to the Minister that he has the right to the petroleum or natural gas in the balance of the legal subdivision.
- (3) The lease granted remains in force so long as the lessee continues to have the right to the petroleum or natural gas in the balance of the legal subdivision and complies with the provisions of this Act.
- (4) For the purposes of applications for leases and the establishment of the relative Crown reserves, where a portion of the lands within a township are surveyed, the Minister, in his discretion, may deal with land located within one mile of a line shown as surveyed on an approved plan of survey of the township as if it were territory surveyed into sections, quarter-sections and legal subdivisions.

[1949, c. 66, s. 233; 1950, c. 42, s. 16; 1951, c. 52, s. 34]

238. (1) In unsurveyed territory the tract shall be laid Description out with boundary lines running north and south and east unsurveyed territory and west astronomically and the measurements thereof shall

- (2) The length and breadth of the tract shall be two thousand six hundred and forty feet each or multiples
- (3) The tract may be laid out with the longer boundary lines running north and south or east and west.

[1949, c. 66, s. 234]

**239.** No lease shall be granted to any applicant who is Applicant indebted to the Province for royalty on petroleum or natural Province [1949, c. 66, s. 235]

240. (1) Application for a lease of petroleum and Application natural gas rights shall be filed by the applicant in person personally with the Mining Recorder for the district in which the rights applied for are situated.

(2) Where the applicant holds the rights under reservation, any application for a lease or leases shall be filed by the applicant with the Director of Mineral Rights.

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(3) An application for a lease is subject to review by the Director of Mineral Rights who may refuse or confirm same. [1949, c. 66, s. 236]

Tract in unsurveyed territory

- **241.** (1) Application for a tract situated in unsurveyed territory shall contain a description by metes and bounds and shall be accompanied by a plan in duplicate showing the position of such tract in its relation to some survey monument and to locations in the immediate vicinity, and the plan shall also show the adjoining Crown reserves required by clause (d) of section 277.
- (2) Application shall be made within thirty days from the date the tract was staked, and one extra day shall be allowed for every additional twenty-five miles or fraction thereof that the tract is distant more than two hundred miles in a direct line from the office of the Mining Recorder.
- (3) Notwithstanding subsection (1), the Minister may exempt the applicant for a lease of unsurveyed territory included in a reservation from the requirement of defining the tract on the ground before the issue of the lease if the applicant describes the tract included in the application as though the lands were surveyed pursuant to *The Alberta Surveys Act*.

[1949, c. 66, s. 237; 1952, c. 55, s. 5]

#### How a Location Shall be Staked

Staking of a location

- **242.** Evidence supported by affidavit of the locator shall accompany the application to show that he has complied fully with the following requirements:
  - (a) that the locator has defined the tract applied for on the ground by planting or erecting a legal post at each of the four corners of the tract, beginning with and marking that at the northeast corner "No. 1", that at the southeast corner "No. 2", that at the southwest corner "No. 3", and that at the northwest corner "No. 4";
  - (b) that the number on each post is on the side of the post toward the post next following it in the order named;
  - (c) that clear and legible inscriptions have been marked on the posts by knife, marking iron or crayon in such a way that they will not become illegible or obliterated;
  - (d) that on post No. 1 on the side facing in the direction of post No. 2 there has been marked, beginning near the top of the portion faced and extending downward, the following:

- (i) petroleum;
- (ii) No. 1 Initial Post;
- (iii) the name of the locator;
- (iv) the date and hour of staking out;
- (v) distance in feet between post No. 1 and post No. 2;
- (e) that on Post No. 2 on the side facing in the direction of Post No. 3 there has been marked, beginning near the top of the portion faced and extending downward, the following:
  - (i) petroleum;
  - (ii) No. 2;
  - (iii) the name of the locator:
  - (iv) distance in feet between post No. 2 and post No. 3;
- (f) that on post No. 3 on the side facing in the direction of post No. 4 there has been marked, beginning near the top of the portion faced and extending downward, the following:
  - (i) petroleum;
  - (ii) No. 3;
  - (iii) the name of the locator;
  - (iv) distance in feet between post No. 3 and post No. 4;
- (g) that on post No. 4 on the side facing in the direction of post No. 1 there has been marked, beginning near the top of the portion faced and extending downward, the following:
  - (i) petroleum;
  - (ii) No. 4;
  - (iii) the name of the locator;
  - (iv) distance in feet between post No. 4 and post No. 1. [1949, c. 66, s. 238]
- 243. (1) All the particulars inscribed on each of the Particulars posts shall be furnished by the locator to the Mining Record- to Becorder er in writing at the time the application is made.
- (2) Errors or omissions in staking that, in the opinion of the Minister, were not deliberately made to mislead any subsequent intending applicant, do not invalidate the staking, but the Minister may require the applicant to make the necessary corrections immediately. [1949, c. 66, s. 239]

Marking

- **244.** (1) When the tract has been defined, the locator shall mark out immediately, by blazing trees and cutting underbrush, the line between each of the posts so that it can be distinctly seen in a timbered locality, and in a locality where there is neither timber nor underbrush he shall set posts or erect mounds of earth or rock in such manner that the line can be distinctly seen.
- (2) In a timbered locality an area of ten feet square shall be cleared around each post by cutting the underbrush so that the post shall be clearly discernible at a reasonable distance. [1949, c. 66, s. 240]

Witness post 245. Where at a corner of the tract the nature or conformation of the ground renders the planting or erection of a post impracticable, the corner may be indicated by planting or erecting at the nearest practicable point a witness post, which shall bear the same marking as that prescribed for the corner post at that corner together with the letters "W.P." at the top thereof and an indication of the direction and distance of the site of the true corner from the witness post. [1949, c. 66, s. 241]

# **Disputes**

Disputes

246. Where two or more persons lay claim to the same tract situated in unsurveyed territory, the person who proves to the satisfaction of the Minister that he was the first to take possession of the tract in dispute by staking in the manner prescribed and that he made application for a lease within the specified time, has the right to the lease.

[1949, c. 66, s. 242]

#### Surveys

Surveys

- 247. (1) If for any reason the Minister considers it necessary or advisable to have a survey or re-survey made of any tract applied for or location leased to determine the exact position of the tract or location, or in order to settle any dispute that may arise respecting the same, he may direct that such a survey or re-survey be made by an Alberta land surveyor under proper instructions.
- (2) The Minister may require payment in advance of the costs of the survey or re-survey to be made by the applicant for or the recorded owner of the tract or location to be surveyed in whole or in part, or the Minister may require such portion of the payment of the costs as seems to him just.
- (3) If the applicant or lessee fails to make such payment in advance when called upon to do so by the Minister, the Minister in his discretion may cancel the application or lease.

- (4) The surveyor shall file with the Department plans, notes and any other information that may be required to determine the exact position of the location and the Department shall give a copy of such information to the applicant or lessee, as the case may be. [1949, c. 66, s. 243]
- 248. Where it has been ascertained upon examination Replacing of a location that a boundary or boundaries do not conform to the requirements of this Part, an Alberta land surveyor may, under instructions from the Minister, replace or substitute any post other than the initial post. [1949, c. 66, s. 244]

249. (1) As soon as the location comprising a pet-Amendment roleum and natural gas lease or any portion thereof emtion when
braces areas that have been surveyed, the Minister after lands
surveyed consultation with the lessee may amend the description by describing the surveyed areas by sections, quarter-sections

(2) The decision of the Minister as to the surveyed lands to be included in the lease is conclusive and final and there is no appeal therefrom. [1949, c. 66, s. 245]

or legal subdivisions.

# Work Required to be Done

250. (1) The lessee shall, within one year from the Work date of the lease, have upon the lands described therein such required to be done machinery and equipment suitable for carrying on drilling operations as the Minister may consider necessary.

- (2) The lessee shall within the same period furnish evidence supported by affidavit and showing the type, quantity and value of the machinery so installed, the date of its installation and the particular parcel of land upon which it is installed. [1949, c. 66, s. 246]
- **251.** The lessee shall commence drilling operations on Commencethe location within one year from the date of the lease and drilling he shall continue such drilling operations with reasonable diligence to the satisfaction of the Minister with a view to the discovery of petroleum or natural gas.

[1949, c. 66, s. 247]

252. Upon the abandonment of a well the lessee shall Abandoncommence the actual work of drilling another well on the location within six months unless the Minister has given his consent in writing to the suspension of the drilling operations, and prescribed the terms on which his consent [1949, c. 66, s. 248] has been granted.

253. Upon the completion of a well the lessee shall within Completion ninety days commence the actual work of drilling another well on the location unless the Minister has given his consent

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in writing to the suspension of the drilling operations, and prescribed the terms on which his consent has been granted. [1949, c. 66, s. 249]

Regulations

254. The Lieutenant Governor in Council at any time may make regulations requiring additional drilling to be conducted on a location or group in the search for petroleum or natural gas having due regard to market requirements and the maintenance of adequate reserves.

[1949, c. 66, s. 250]

Application to defer drilling obligations

- **255.** (1) Where a lease is subject to cancellation by reason of the lessee's failure to perform any of the drilling required to be done, the lessee may apply to the Minister to have the drilling obligations deferred for one year.
- (2) The Minister, in his discretion, may refuse the application or grant it upon such terms and conditions and subject to payment of such further fees, penalties and additional rentals as the Minister may prescribe either generally or in any specified case.
- (3) The applicant may apply from year to year for further deferments of his drilling obligations, but each such application is subject to subsection (2). [1950, c. 42, s. 17]

Acreage rental on natural gas field

- **256.** (1) When a lessee in the search for petroleum claims to have made a discovery of natural gas that indicates the area to be a natural gas field, and through drilling of wells adequately spaced to the satisfaction of the Minister reasonably delimits the field within the confines of his lease or leases and thereby substantiates his claim, the lessee shall thereafter pay to the Minister an annual rental of fifty cents an acre payable yearly in advance so long as the location is capable of producing natural gas.
- (2) Before the reduction in rental becomes effective, the Minister may require the lessee to drill a well in the search for oil at a point and to a formation fixed by the Minister.
- (3) So long as an adequate market or a market in which the lessee may participate is not available, the Minister, upon being satisfied of such facts, may further reduce the rental of the location to an annual rental of twenty-five cents an acre.
- (4) During the year in which the further reduced rental is accepted by the Minister, the lessee is relieved from the development requirements of his lease.
- (5) If a discovery of petroleum is made in any subsequent well drilled, the provisions of this section become null and void immediately, and the lease reverts to its original status. [1949, c. 66, s. 251]

257. (1) In the event of petroleum being produced on Offset wells lands held in freehold in a well directly offsetting a location, the lessee shall, within ninety days of the date of such well coming into production commence the drilling of a well on the location to offset the producing well and shall drill the same continuously and diligently to the strata where the petroleum was discovered.

(2) The Minister may from time to time extend the time for the commencement of the drilling of such offset well.

(3) In the event of natural gas being produced on lands held in freehold in a well directly offsetting a location, the Minister, having due regard to market requirements and after consultation with the lessee, may require the lessee to commence the drilling of a well within such period as may be determined by the Minister on the location to offset such producing well and the lessee shall drill the same continuously and diligently to the strata where the natural gas was discovered. [1949. c. 66. s. 252]

#### Terms and Conditions of Lease

258. (1) The prescribed fee and the rental for the Fee and first year shall accompany each application for a lease.

(2) The fee and rental shall be refunded if the rights applied for are not available, but not otherwise.

[1949, c. 66, s. 253]

259. (1) The lease shall bear the date of issue, which Date and shall also be the commencement of the term but, where the application follows a reservation, the term of the lease shall commence on the day the application was made.

- (2) If during the term of the lease the lessee fails to pay rental in advance for each subsequent year within thirty days after the date upon which the same became due, whether demand is made or not, the Minister, in his discretion, may cancel the lease. [1949, c. 66, s. 254]
- **260.** (1) A lessee who has acquired more than one Grouping petroleum and natural gas lease may for development group development such of his leases as have any part of their location within the radius of three miles of the projected well site, but not more than eighteen sections or eleven thousand five hundred and twenty acres shall be included in any group.

- (2) The group terminates immediately upon the discovery of petroleum.
- (3) A well drilled on a location contained in a group shall fulfil the drilling obligations on the group in the same manner as the drilling of a well on a location pursuant to sections 250, 251 and 252.
- (4) Where the lessee suspends operations for a period greater than six months without having first obtained the consent of the Minister, the suspension immediately terminates the group. [1949, c. 66, s. 255]

Relinquishing lease or a por

- **261.** (1) A lessee may relinquish his lease at any time portion or with the consent of the Minister may relinquish at any time or from time to time any portion of the location described in the lease.
  - (2) The portion of the location to be retained
    - (a) shall conform to section 236, or
    - (b) if a well on the location is capable of producing petroleum or natural gas in commercial quantity, shall be the area allocated to the well by the Petroleum and Natural Gas Conservation Board for the purposes of production.
  - (3) Notwithstanding subsection (2), where a lessee has been served with a notice requiring him to drill a well to offset a petroleum or natural gas well in accordance with section 257, he may relinquish that portion of the location that would be the spacing unit of the offset well.

1949, c. 66, s. 256; 1950, c. 42, s. 18; 1952, c. 55, s. 6; 1955,

c. 37, s. 16

Bituminous sands

- **262.** (1) The lease shall in all cases include only the petroleum and natural gas that are the property of the Crown in the leased location and that may be obtained by the usual process of drilling.
- (2) The lease shall not include the rights to bituminous sands, oil shales and tar sands, or to the petroleum that may be recovered from such sands or shales by the process of extraction that is customary in such cases.

[1949, c. 66, s. 257]

Form of

**263.** The lease shall be in such form as may be determined by the Minister and may include a condition providing that the natural gas produced shall be used or processed within the Province, and such other conditions, provisions, restrictions and stipulations as the Minister may prescribe. [1949, c. 66, s. 258]

# Transfer of Rights

Transfer

**264.** The lessee shall not assign, transfer, sublet or part with the possession of the rights described in his lease, or any part thereof, without the consent in writing of the Minister being first had and obtained. [1949, c. 66, s. 259]

Area allocated to well

**265.** Where a well has been drilled on a location and is producing petroleum in commercial quantity, the lessee may, with the consent in writing of the Minister, assign or transfer the area allocated to the well for purposes of production by the Petroleum and Natural Gas Conservation Board. [1949, c. 66, s. 260]

Assignment unsurveyed territory

**266.** Where the location is situate in unsurveyed territory and the lessee wishes to assign a portion of it after obtaining the consent of the Minister, the lessee shall have a survey made of the new location in accordance with the

provisions of section 247 and the survey shall be confined within the boundaries of the original tract.

[1949, c. 66, s. 261]

# Unit Operation

267. To secure the most efficient economic recovery of Unit operation the petroleum resources in the area assigned to a well by regulations established under The Oil and Gas Resources Conservation Act, where the land of the Crown is less than the whole, the Minister, with the approval of the Lieutenant Governor in Council, may participate in the joint development or co-operate in a unit operation of the area. [1949, c. 66, s. 262; 1950, c. 42, s. 18.]

# Royalty

- 268. (1) The petroleum and natural gas from any Royalty location acquired under this Act is subject to the payment to the Crown of such royalty thereon as may from time to time be fixed by the Lieutenant Governor in Council.
- (2) The royalty shall be collected in such manner as may be prescribed by the Minister.
- (3) If the lessee fails or neglects to make prompt payment of the royalty the Minister may cancel the lease.

[1949, c. 66, s. 263]

269. The maximum royalty payable on the petroleum Maximum during the first term of any lease issued pursuant to this Act shall not exceed one-sixth of the gross recovery from the location. [1949, c. 66, s. 264]

270. Where the area assigned to a well for purposes of Proportioning royalty production by the Petroleum and Natural Gas Conservation Board is only partially contained in a location, the royalty to be paid to the Crown shall be in the proportion that the area partially contained in the location bears to the whole of the area assigned to the well.

[1949, c. 66, s. 265]

271. (1) When petroleum or natural gas is obtained Report of production from any well, the lessee or his agent authorized in writing shall, not later than the twenty-fifth day of the month, file with the Department, on forms prescribed by the Minister, a full report of the production during the preceding month.

- (2) If, after the lessee of the location has been requested in writing to forward any overdue report, the Minister deems it necessary to send an officer of the Department to secure the same, the Minister may charge to the lessee the expenses incurred in connection with securing the report.
- (3) If the lessee fails or neglects to make payment of the expenses so incurred the Minister may cancel the lease summarily.

- (4) If a person attempts by making false statements to defraud the Crown of any part of the revenue thus provided for the Minister in his discretion may cancel the lease summarily.
- (5) In respect of the facts as to fraud or false statements or non-payment of royalty, or failure to furnish reports the decision of the Minister is final.

[1949, c. 66, s. 266; 1955, c. 37, s. 17]

#### Miscellaneous

Control of location

272. The Minister may at any time assume absolute possession and control of any location, together with all buildings works, machinery, and plant upon the location, or used in connection with the operation thereof, if, in the opinion of the Lieutenant Governor in Council, such action is considered necessary or advisable, and the Minister may cause the same to be operated and may retain the whole or any part of the output, in which event compensation shall be paid to the lessee in such sum or sums as may be fixed by the Minister for any loss or damage sustained by the lessee by reason of the exercise of the powers conferred by this section. [1949, c. 66, s. 267]

Abandonment

- 273. (1) The consent of the Minister or his duly authorized representative shall be obtained before the commencement of any action for the abandonment of a well whether or not petroleum or natural gas has been produced therefrom.
- (2) Before giving his consent to the abandonment of a well the Minister or his duly authorized representative may require a lessee to conduct such further operations as the Minister may deem necessary and prescribe the time in which such operations are to be performed.
- (3) On the failure of the lessee to perform such requirements, the Minister may immediately withdraw from the lease the legal subdivision on which the well was drilled or the area that has been allocated to the well for purposes of production by the Petroleum and Natural Gas Conservation Board, and all rights of the lessee in and to such portion of the lease thereupon cease and determine and the lessee is not entitled to any compensation whatsoever, but the lessee is relieved from future responsibility for the abandonment of the well.

  [1949, c. 66, s. 268]

Removal of machinery from oil or gas well

**274.** No person shall remove any machinery, tools, plant, equipment or operating structure or disturb any part of the casing at any well or upon any petroleum and natural gas location without the authority of the Minister in writing, unless there has been compliance with the provisions of *The Oil and Gas Resources Conservation Act*, and the regulations thereunder and unless all arrears of rent, royalty, interest or other moneys due to the Crown by the lessee for such location have been fully paid.

**275.** When a petroleum and natural gas application, reservation, or lease is cancelled in the records of the Depart- and natural ment, the rights described in such application, reservation or gas application lease shall not be made available for disposition until notice has been given in such form as the Minister may direct. [1949, c. 66, s. 270]

276. The Lieutenant Governor in Council may make Regulations such regulations as may appear to be necessary or expedient for the administration of this Part and to carry out its provisions according to their true intent.

[1949, c. 66, s. 271]

#### Crown Reserves

277. The petroleum and natural gas rights that are Crown reserves the property of the Crown in the areas hereinafter described constituted are constituted Crown reserves:

- (a) fractional areas that cannot be acquired by lease under section 236;
- (b) the areas within the following provincial reserves:
  - (i) Clear Hills area: commencing at the northeast corner of township 92, range 7, west of the 6th meridian; thence south to intersection with left bank of Peace River; thence westerly along left bank of Peace River to intersection with provincial boundary; thence northerly to intersection of north boundary of township 92; thence easterly to point of commencement;
  - (ii) Marten Hills area: townships 73, 74, 75 and 76, ranges 20 to 26, inclusive, west of the 4th meridian and townships 73, 74, 75 and 76, ranges 1 to 7, inclusive, west of the 5th meridian ;
  - (iii) Big Bend area: townships 65, 66, 67 and 68, ranges 24, 25 and 26, west of the 4th meridian;
  - (iv) Sand River area: townships 67 to 72 inclusive. ranges 3 to 8 inclusive, west of the 4th meridian:
  - (v) Smoky River area: townships 56 to 61 inclusive, ranges 1 to 9 inclusive, west of the 6th meridian:
  - (vi) Kaybob area: townships 61 to 64 inclusive, ranges 18, 19 and 20, west of the 5th meridian;
  - (vii) Virginia Hills area: townships 61 to 68 inclusive, ranges 7 to 13 inclusive, west of the 5th meridian;
  - (viii) Cynthia area: townships 49 to 52 inclusive, ranges 10 to 14 inclusive, west of the 5th meridian;
    - (ix) Alhambra area: townships 37 to 42 inclusive, ranges 5, 6 and 7, west of the 5th meridian;

- (x) Dorothy area: townships 27 to 30 inclusive, ranges 14, 15 and 16, west of the 4th meridian;
- (xi) Acadia area: townships 23 to 27 inclusive, and lying north of the Red Deer River in ranges 1, 2 and 3, west of the 4th meridian;
- (xii) Grand Forks area: townships 12 and 13, ranges 11 and 12, west of the 4th meridian;
- (xiii) Crow Indian Lake area: townships 5 and 6, ranges 13 and 14, west of the 4th meridian;
- (xiv) Lucky Strike area: townships 3 and 4, ranges 11 and 12, west of the 4th meridian;
- (c) such area in surveyed territory as the Mining Recorder in consultation with the applicant for a lease of a location selects as a Crown reserve, which area shall
  - (i) be as nearly as possible of equal acreage to the location applied for,
  - (ii) be in the same township in which the location or part of the location applied for is situate and in close proximity to it, and
  - (iii) be agreed to by the applicant before his application for the location is accepted;
- (d) such areas of adjoining acreage in unsurveyed territory as may be necessary to create a Crown reserve along each boundary of the location applied for, and equal in breadth to the breadth of the location applied for, but such locations may corner, and a Crown reserve or any part thereof already established may be used to meet the Crown reserve requirements of further locations;
- (e) such areas as may be determined by regulations made, pursuant to section 281, by the Lieutenant Governor in Council and governing the reservation of petroleum and natural gas rights;
- (f) such other areas as may be designated Crown reserves by the Minister.

[1949, c. 66, s. 272; 1954, c. 65, s. 25]

Reselection of Crown reserves **278.** Crown reserves, other than those constituted by clause (b) of section 277, may be reselected or cancelled by the Minister in any township or unsurveyed township, if the acreage that would then remain as Crown reserves in the township or unsurveyed township is not less than the other acreage held under lease from the Crown.

[1954, c. 65, s. 26]

Crown reserves

- **279.** No application for a lease of a location shall be taken at the office of the Mining Recorder unless
  - (a) in surveyed territory the locations or concentrations of leases in the area in which a location may be taken corner in a checkerboard pattern or are apart one from the other a distance of at least one mile, and

- (b) in unsurveyed territory the applicant has staked his location in a manner permitting the establishment of the Crown reserves. [1949, c. 66, s. 273]
- **280.** A Crown reserve may be disposed of at such time of Crown and in such manner and upon such terms, conditions and reserve stipulations as may be prescribed by the Lieutenant Governor in Council and, notwithstanding section 269, a disposition under this section may provide for payment to the Province of a share of the products, or of an overriding royalty or of any other consideration in addition to the royalty on petroleum and natural gas prescribed from time to time by the Lieutenant Governor in Council.

# [1949, c. 66, s. 274; 1950, c. 42, s. 20.]

#### Reservations and Licences

281. The Lieutenant Governor in Council may make Regulations regulations governing the reservation of petroleum and natural gas rights that are the property of the Crown for geological or geophysical examination or for drilling of wells for geological information, and such regulations may prescribe the manner in which application for leases are to be taken and may provide for the establishment of Crown reserves. [1949, c. 66, s. 275]

282. (1) The Lieutenant Governor in Council may Regulations make regulations governing the granting of licences of gas licences natural gas rights that are the property of the Crown, and such regulations may prescribe the terms and conditions of leases to be granted out of rights included in a

(2) The Lieutenant Governor in Council may authorize Pas lease the Minister to grant, upon such terms, conditions and stipulations as may be prescribed, a lease of natural gas rights that are the property of the Crown in lands or zones within lands, if,

- (a) in the opinion of the Lieutenant Governor in Council the natural gas that may be obtained is essential in the operation of a natural gas utility, or
- (b) the location is required to complete a spacing unit under The Oil and Gas Resources Conservation Act, for a commercially productive natural gas well.
- (3) In a disposition made under this section "natural gas" for purposes other than those dealing with the computation, levy and collection of royalties,
  - (a) means the production from any well that, in the opinion of the Petroleum and Natural Gas Conservation Board, initially produces gas either alone or with oil at a gas-oil ratio of ten thousand cubic feet to the barrel or higher, and
  - (b) does not include any production that may be obtained from any well that, in the opinion of the Board, initially produces gas with oil at a lower gasoil ratio. [1951, c. 52, s. 36; 1953, c. 75, s. 6]

#### **PART VII**

# GEOPHYSICAL AND GEOLOGICAL EXPLORATION

# Interpretation

Interpretation

"detailed geophysical exploration" or "detailed subsurface geological exploration"

"geophysical exploration" or "geophysical operation"

"preliminary geophysical exploration" or "preliminary subsurface geological exploration"

"subsurface geological exploration" **283.** (1) In this Part.

- (a) "detailed geophysical exploration" or "detailed subsurface geological exploration" means surveys of specifically limited areas for the purpose of obtaining local geologic or geophysical data;
- (b) "geophysical exploration" or "geophysical operation" means any method whereby the art of applying the physical sciences is employed in the determination of geologic conditions that may be favourable for the accumulation or location of minerals;
- (c) "preliminary geophysical exploration" or "preliminary subsurface geological exploration" means exploration by surveys of widespread areas for the purpose of obtaining regional data;
- (d) "subsurface geological exploration" means any method employing shallow drill holes for obtaining geologic data not observable at the surface.
- (2) Without restricting the generality of any of the foregoing, in this Part,

"detailed geophysical methods"

- (a) "detailed geophysical methods" include,
  - (i) closely spaced seismic reflection or refraction surveys, and
  - (ii) closely spaced core drilling;

"geophysical methods"

- (b) "geophysical methods" include
  - (i) seismic surveys,
  - (ii) gravimetric surveys,
  - (iii) magnetic surveys,
  - (iv) electrical surveys,
  - (v) geochemical surveys, and

(vi) air-borne surveys;

"preliminary geophysical methods"

- (c) "preliminary geophysical methods" include
  - (i) gravimetric,
  - (ii) magnetic,
  - (iii) electrical,
  - (iv) seismic profiling,(v) regional core drilling, and
  - (vi) use of air-borne equipment.

[1949, c. 66, s. 276; 1950, c. 42, s. 21]

# Application of Part

Application of Part

**284.** This Part applies to all lands in the Province. [1949, c. 66, s. 277]

#### General

- 285. (1) A person desiring to undertake geophysical Licence for or subsurface geological exploration shall obtain a licence to exploration do so from the Director of Mineral Rights.
- (2) The licence shall expire on the thirty-first day of March following the date of issue, and may be renewed upon such terms and conditions as the Minister may deem expedient.
- (3) The prescribed fee shall be paid for each licence or renewal. [1949, c. 66, s. 278]
- 286. Where the applicant desires to conduct pre-Application liminary or detailed geophysical or subsurface geological ex- for licence ploration, an application for a licence shall be made in writing to the Director of Mineral Rights and indicate the type of the exploration to be undertaken.

- 287. (1) The licensee shall supply to the Petroleum Reports and Natural Gas Conservation Board, not later than three months following the termination of the licence, a complete copy of every electrolog and every other log or survey taken of each hole logged or surveyed, together with all pertinent data.
- (2) The licensee shall supply to the Director of Mineral Rights, at the time specified by regulations established pursuant to section 293, any plans, reports or other data required by the regulations.
- (3) Where any underground water or gas occurrences are observed in drilling, the licensee shall supply to the Director of Mineral Rights, not later than three months following the termination of the licence, a report of the water occurrences and a report of the gas occurrences, setting out in each report the location including co-ordinates of each hole, the ground elevation at the hole and the depth to each aquiferous or gas horizon, as the case may be.
- (4) Where any form of exploration not entailing the drilling of holes is conducted, the licensee, not later than three months following the termination of the licence, shall supply to the Director of Mineral Rights a map or maps showing the area covered by such exploration.

[1949, c. 66, s. 280; 1952, c. 55, s. 7]

[1949, c. 66, s. 279; 1952, c. 55, s. 7]

288. The licensee shall report monthly to the Department Report to Department the location and progress of the field party conducting the exploration. [1949, c. 66, s. 281]

289. If any licensee withdraws from the Province and Data become discontinues doing business in the Province all preliminary Province or detailed geophysical data and subsurface geological data

#### Chap. 204 MINES AND MINERALS (PART VII)

obtained by him becomes the property of the Province and may be used after one year in any manner that may expedite development of the natural resources.

[1949, c. 66, s. 282]

Assignment of licence

**290.** The licensee shall not assign, transfer, sublet or part with the possession of the said licence or any renewal thereof without first having the written consent of the [1949, c. 66, s. 283] Minister.

Cash deposit

- 291. (1) The applicant, before the issue of a licence, shall furnish a cash deposit to the Provincial Treasurer in the sum of one thousand dollars as security that all operations will be conducted in accordance with this Act and the regulations made from time to time.
- (2) The cash deposit shall be refunded to the licensee upon evidence being furnished, satisfactory to the Minister, that the operations were conducted in accordance with this Act and the regulations.
- (3) Where the applicant has a sum of one thousand dollars in cash on deposit with the Provincial Treasurer, such sum may, in the discretion of the Minister, be deemed sufficient to satisfy the requirements of subsection (1).

[1949, c. 66, s. 284; 1950, c. 42, s. 22]

Cancellation of licence

292. In case of default by the licensee in the due observance or compliance with any of the provisions of this Act, the Minister may at any time cancel the licence and thereupon the cash bond shall be forfeited.

[1949, c. 66, s. 285]

Regulations geological exploration

293. The Lieutenant Governor in Council may make re geo-physical and regulations

- (a) governing geophysical and geological exploration in water covered areas.
- (b) governing the methods and manner in which geophysical exploration may be conducted, and
- (c) to facilitate the administration of this Part and to carry out its provisions according to their true [1949, c. 66, s. 286; 1950, c. 42, s. 23] intent.

Offence and penalty

- 294. A person who contravenes any of the provisions of this Part is guilty of an offence and liable upon summary conviction to a fine, which,
  - (a) in the case of a corporation, shall not exceed one thousand dollars for a single offence, or one hundred dollars a day for a continuing offence, or
  - (b) in the case of a natural person, shall not exceed one hundred dollars for a single offence, or twenty dollars a day for a continuing offence.

[1949, c. 66, s. 287]

#### PART VIII

#### REGISTRATION OF ASSIGNMENTS

- 295. (1) The Minister shall cause to be kept in the Registering Department books for registering assignments of agree-assignments ments.
- (2) Subject to the other provisions of this Act and of the regulations made under this Act, an assignment of an agreement that the lessee is not prohibited from assigning or agreeing to assign by any provision of this Act or any regulation or by the terms of the agreement may be registered with the Minister.
- (3) The Minister may refuse to register an assignment unless
  - (a) it is unconditional.
  - (b) its execution has been proved to the satisfaction of the Minister, and
  - (c) it is in a form satisfactory to the Minister.
- (4) The Minister may refuse to register an assignment in which more than four persons are assignees.
- (5) An assignment registered under this Part is valid against and prior to any unregistered assignment or subsequently registered assignment. [1953, c. 75, s. 7]
- 296. The Lieutenant Governor in Council may make Regulations regulations
  - (a) providing for the registration with the Minister of documents affecting agreements.
  - (b) prescribing the form of documents that may be registered and the conditions under which they may be registered.
  - (c) delimiting the effect of the registration of any document, and for this purpose, suspending or modifying the provisions of subsection (5) of section 295, and
  - (d) prescribing fees for the registration of documents and for services supplied by any registration office in the Department. [1955, c. 37, s. 18]

297. Notwithstanding anything in this Act or in any Assignments regulations made under this Act, where, by an instrument to bank made pursuant to section 82 of the Bank Act (Canada), a lease or licence from the Crown of petroleum or natural gas or both, or any interest in such lease or licence, is assigned, transferred or set over as security to a chartered bank by the lessee of or by a person having an interest in the lease or licence, there may be registered with the Minister, upon payment of such fee as may be prescribed by the Lieutenant Governor in Council,

# Chap. 204 MINES AND MINERALS (PART IX)

- (a) an original of the instrument giving the security,
- (b) a copy of the instrument giving the security, which shall be certified by an officer or employee of the bank to be a true copy, or
- (c) a caveat in respect of the rights of the bank. [1955, c. 37, s. 18]

#### Assignment to himself

- **298.** (1) A lessee may assign an agreement to himself and another person or persons, and upon registration of the assignment is entitled to the interest that the assignment purports to convey to him to the same extent as if he were not the assignor.
- (2) Two or more persons, being the lessees of an agreement, may assign the agreement to one or more of them, who upon registration of the assignment are entitled to the interest that the assignment purports to convey to him or them to the same extent as if he or they were not assignors.

  [1953, c. 75, s. 7]

#### PART IX

#### UNIT OPERATION OF MINERALS

Interpretation "tract" 299. In this Part,

- (a) "tract" means
  - (i) a location or mineral claim, or
  - (ii) a parcel comparable to a location or a mineral claim owned in fee simple;

"unit operation"

- (b) "unit operation" means an operation in which a number of tracts are merged, pooled, consolidated or integrated as a single unit, without regard to the boundaries of the separate tracts, for operation for
  - (i) the development or production of a mineral within, upon or under the tracts, or any specified stratum or strata or portion thereof within the tracts, or
  - (ii) the implementing of a program for the conservation of the mineral, or the co-ordinated management of interests in the mineral.

[1954, c. 65, s. 27]

Agreement for unit operation

- **300.** (1) The Lieutenant Governor in Council may authorize the Minister to enter into an agreement for a unit operation.
- (2) Notwithstanding the other provisions of this Act or the provisions and terms of any regulation, agreement or mineral claim made pursuant to this Act or *The Provincial Lands Act*, the agreement for a unit operation may provide

- (a) for the designation of a person to conduct the unit operation.
- (b) for participation in the development of the mineral.
- (c) for compensation for interests adversely affected,
- (d) that any provision or condition of an agreement or mineral claim, whether a statutory condition or otherwise, will be nullified, changed or varied to the extent necessary to give effect to the agreement for the unit operation,
- (e) that so long as operations are conducted in accordance with the agreement for the unit operation the operational requirements with respect to each location or mineral claim in so far as they relate to the location or mineral claim or part thereof within the unit operation will be deemed to have been met.
- (f) that the product allocated by the agreement for the unit operation to a tract will be deemed to have been produced from the tract.
- (g) that production of a mineral in accordance with the agreement for the unit operation will be deemed to be production in commercial quantity from any tract covered by the agreement when such production is necessary to entitle the holder of an agreement or mineral claim to an extension or renewal of his agreement or mineral claim, and
- (h) for such other matters as the Minister deems necessary or advisable.
- (3) Notwithstanding the other provisions of this Act or the provisions and terms of any regulation, agreement or mineral claim, where in the opinion of the Lieutenant Governor in Council it is desirable to do so, the Lieutenant Governor in Council may authorize the Minister to enter into an agreement for calculation of the royalty payable on the mineral produced under the unit operation in respect of any tract that is subject to the payment of a royalty to the Crown. [1954, c. 65, s. 27]
- 301. Where a location or mineral claim is partly within Division of and partly outside an area that is subject to an agreement location in case of unit for a unit operation, the Minister may, notwithstanding agreement the provisions of this Act, or any regulations made under the authority of this Act, require that the location or mineral claim be divided so that each location or mineral claim resulting from the division will be as nearly as possible either within or outside such area. [1954, c. 65, s. 27]

**302.** If an agreement is entered into pursuant to section Minerals 300 the minerals that are the property of the Crown and subject to agreement affected by the agreement, and any interest in the minerals. are subject to the terms and conditions of the agreement so long as the agreement is in effect.

# Chap. 204 MINES AND MINERALS (PART X)

Agreement for injection or underground storage

- 303. (1) The Lieutenant Governor in Council may authorize the Minister to enter into an agreement for the injection, storage, recycling or reproduction in or from an underground formation of any mineral substance or water.
- (2) The provisions of sections 300, 301 and 302 apply, in so far as they are applicable, to an agreement made under this section. [1954, c. 65, s. 27]

# PART X

#### **BITUMINOUS SANDS**

Interpretation "bituminous sands" 304. In this Part,

(a) "bituminous sands" means the bituminous sands that occur in the McMurray formation, being the stratigraphic formation lying between the Clearwater formation above and the Upper Devonian carbonate sediments below and containing hydrocarbons and as further defined by the Petroleum and Natural Gas Conservation Board in any case where a question arises;

"bituminous sands rights" (b) "bituminous sands rights" means the right to mine, quarry, work, remove, treat and dispose of the bituminous sands and products thereof, but does not include the right to drill for petroleum or natural gas.

[1955, c. 57, s. 4]

Regulations

**305.** The Lieutenant Governor in Council may make regulations governing disposition by lease, licence or permit of bituminous sands rights. [1955, c. 57, s. 5]

Powers of Minister

**306.** The Minister may

- (a) prohibit the conduct of any operation to recover bituminous sands that would, in his opinion, preclude or render more difficult the recovery of other bituminous sands recoverable by practical and reasonable operations, or
- (b) grant, on such terms as he may prescribe, a deferment of any obligation in a lease of bituminous sands rights to a lessee who has entered into an agreement satisfactory to the Minister with any other holder of bituminous sands rights to contribute to or assist in the performance of a similar obligation of such other holder. [1955, c. 57, s. 6]

# SCHEDULE.

Schedule

Form A

# FORM A (Section 24 (2))

# DEPARTMENT OF MINES AND MINERALS.

The Registrar, Land Titles Office,	
Date day of , 19 Requisition No. Countersigned by	
Director of Mineral Rights Deputy Minister of Mines and Minerals [1949, c. 66, Schedule, Form A]	
FORM B. (Sections 86 and 87)	Form B
DEPARTMENT OF MINES AND MINERALS.	
QUARTZ MINING.	
APPLICATION FOR A FULL CLAIM AND AFFIDAVIT OF APPLICANT.	
Mining District.	
I, of	
1. That on the day of 19 , I located the mineral claim situated	
(Here describe the position of the claim as nearly as possible, giving the name or names of any mineral claims it may adjoin.)	

Form C

*
2. That I have placed posts No. 1 and No. 2 of the legal dimensions on the said claim with the inscription on each post prescribed by <i>The Mines and Minerals Act</i> .
3. That I have inscribed on post No. 1 the following
4. That I have inscribed on post No. 2 the following
(If a witness post has been used the particulars as to such post should be fully set out.)
5. That I have marked the line between post No. 1 and post No. 2 as required by section 76 of the Act.
6. That to the best of my knowledge and belief the ground comprised within the boundaries of the said claim or any part thereof is not staked by any other person as a mineral claim and that I have not contravened the provisions of section 63 of the Act.
7. That I attach hereto a plan of the claim as required by section 78 of the Act.
Sworn and subscribed to
SWORN and subscribed to at this day of 19
Mining Recorder. [1949, c. 66, Schedule, Form B]
FORM C.
(Sections 86 and 87)
DEPARTMENT OF MINES AND MINERALS.  QUARTZ MINING.
APPLICATION FOR FRACTIONAL CLAIM AND AFFIDAVIT OF
APPLICATION FOR FRACTIONAL CLAIM AND AFFIDAVIT OF APPLICANT.
Mining District.
I, of
in the

2. That this fractional claim is bounded on the north by on the south by on the east by and on the west by and is more particularly described on the plan attached hereto as required by section 78 of <i>The Mines and Minerals Act</i> .	
3. That I have placed posts No. 1 and No. 2 of the legal dimensions on the said claim with the inscription on each post prescribed by the Act.	i 1
4. That I have inscribed on post No. 1 the following	
5. That I have inscribed on post No. 2 the following	
(If a witness most has been used the monticular and the	
(If a witness post has been used the particulars as to such post should be fully set out.)	
6. That the length of the location line is approximatelyfeet.	
7. That I have marked the line between post No. 1 and post No. 2 in the manner prescribed by section 76 of the Act.	
8. That to the best of my knowledge and belief the ground comprised within the boundaries of the said fractional claim or any part thereof is not staked by any other person as a mineral claim and I have not contravened the provisions of section 63 of the Act.	
Sworn and subscribed to	
at this day of 19	
Mining Recorder. [1949, c. 66, Schedule, Form C]	
FORM D.	Form D
(Sections 176 and 180)	
DEPARTMENT OF MINES AND MINERALS.	
PLACER MINING.	
APPLICATION FOR CLAIM AND AFFIDAVIT OF APPLICANT.	
I,Mining District.	
in the	

1. That on thelocated the	day of	
(Here describe the post giving the name or radjoin.)	ition of the cla names of any	im as nearly as possible, placer claims it may
2. That I have place dimensions on the said post prescribed by <i>Th</i>	d claim with	and No. 2 of the legal the inscription on each <i>Minerals Act</i> .
		o. 1 the following
		o. 2 the following
(If a witness post has post should be fully se	been used the tout.)	e particulars as to such
5. That I have mar post No. 2 as required	ked the line k l by section 1'	petween post No. 1 and 71 of the Act.
comprised within the part thereof is not sta	boundaries of aked by any o that I have n	ge and belief the ground f the said claim or any ther person as a placer ot contravened the pro-
7. That I attach her section 177 of the Act	eto a plan of	the claim as required by
SWORN and subscrib		
at this day of	19}	
	Mining Record	ler. . 66, Schedule, Form D]







# 1957

#### CHAPTER 51

### An Act to amend The Mines and Minerals Act

(Assented to April 11, 1957)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

- 1. The Mines and Minerals Act, being chapter 204 of the Revised Statutes of Alberta, 1955, is hereby amended.
  - 2. Section 2, subsection (1) is amended

Section 2

(a) by striking out clause (c) and substituting the following:

"(c) "bituminous sands" means the oil sands and "bituminous all other mineral substances in association therewith being within townships eighty-four to one hundred and four inclusive in ranges four to eighteen inclusive, west of the fourth meridian and occurring in the McMurray formation, being the stratigraphic formation lying above the upper Devonian carbonate sediments and below the Clearwater forma-

tion;",

(b) by striking out clause (k),

- (c) as to clause (u), subclause (i) by striking out the words "tar sands" and substituting the words "bituminous sands",
- (d) as to clause (cc) by striking out the words "sand, gravel or",
- (e) as to clause (dd) by adding immediately after the words "and "registration"" the words "when used in Part II or Part III of this Act",
- (f) by relettering clause (gg) as clause (hh),
- (g) by adding immediately after clause (ff) the following:
  - "(gg) "spacing unit" means a spacing unit within "spacing the meaning of  $The\ Oil\ and\ Gas\ Conservation$  unit" Act".
- 3. Section 5 is amended by striking out the word "Re- Section 5 sources", where it occurs in subsections (1) and (2).

Section 8 amended

- 4. Section 8 is amended

  - (b) under Part VIII by striking out the words and figures "REGISTRATION OF ASSIGNMENTS ........295-298" and substituting the words and figures "REGISTRATION OF TRANSFERS AND DOCUMENTS ...........295-298b".

Section 19 amended

- **5.** Section 19, subsection (1) is amended
  - (a) as to clause (g)
    - (i) by striking out subclause (ii),
    - (ii) by striking out subclause (v),
  - (b) by striking out clause (h) and substituting the following:
    - "(h) reinstate upon such terms and conditions as may be prescribed, any lease or any portion of a location described in any lease, that has been relinquished, cancelled or forfeited, if application for reinstatement is made within three months of the date of relinquishment, cancellation or forfeiture."

Section 24 amended

- **6.** Section 24 is amended by adding immediately after subsection (7) the following:
- "(8) Where a certificate of title has not been issued by the Registrar for any minerals vested in or belonging to the Crown in the right of the Province, the Minister may issue a notification in Form A in the Schedule in favour of Her Majesty in the right of the Province as represented by the Minister.
- "(9) When a notification is issued under subsection (8) it shall be forwarded to the Registrar for the district in which the minerals are situate, and on receipt of the notification the Registrar shall, without fee, forthwith issue a certificate of title."

Section 28 amended 7. Section 28 is amended by striking out the word "Resources".

Section 29 amended **8.** Section 29 is amended by striking out the word "Resources".

**9.** Section 32 is struck out and the following substituted:

Section 32 amended Substitutional agreement

"32. Upon the registration of a transfer of a portion of a location there shall be issued to the transferee a substitutional agreement with respect to the portion of the location transferred and the agreement from which the portion of the location has been transferred shall be

Section 49 amended 10. Section 49 is amended

amended accordingly.".

(a) by striking out subsection (1) and substituting the following:

- "49. (1) A company shall not acquire an agree- Agreement ment in whole or in part by application or transfer unless the company is
- "(a) registered under the provisions of *The Companies Act* of the Province,
- "(b) incorporated by an Act of the Province and approved by the Minister as a company that may acquire an agreement,
- "(c) incorporated under the Bank Act (Canada),
- "(d) a railway company incorporated under an Act of Canada, or
- "(e) an insurance company licensed under The Alberta Insurance Act.",
- (b) as to subsection (2) by striking out the word "assignment" and substituting the word "transfer".
- **11.** Section 50 is struck out and the following is sub-Section 50 stituted:
- "50. No person under the age of twenty-one years shall Minors acquire an agreement by application or transfer.".
- **12.** Section 62 is amended by striking out subsection (1) Section 62 amended and substituting the following:
- "62. (1) This Part applies to deposits of gold, silver and Application naturally occurring minerals that are the property of the Crown, other than placer deposits, salt, sulphur, coal, petroleum, natural gas, bituminous sands and shales.".
- 13. Section 117 is struck out and the following sub-Section 117 stituted:
- "117. (1) Every application for a mineral claim and Applications every other application and every transfer of a mineral claim, or of an interest therein, shall contain, or shall have endorsed thereon, the place of residence and the post office address of the applicant or transferee and his occupation.
- "(2) No application or transfer shall be accepted or recorded unless it conforms with subsection (1)."
- **14.** Section 130, subsection (2) is amended by striking Section 130 out the words "an assignment" and substituting the words "a transfer".

15. Section 131 is amended

Section 131 amended

- (a) by striking out the words "an assignment" and substituting the words "a transfer",
- (b) by striking out the words "such assignment" and substituting the words "such transfer",
- (c) by striking out the words "the assignment" in clause (a) and by substituting the words "the transfer".
- 16. Section 139 is repealed.

Section 153 amended

- 17. Section 153 is amended
  - (a) as to subsection (1)
    - (i) by striking out the words "an assignment" and by substituting the words "a transfer",
    - (ii) by striking out the words "such assignment" and substituting the words "such transfer",
  - (b) as to subsection (2) by striking out the word "assignment" and substituting the word "transfer",
  - (c) as to subsection (3) by striking out the word "assignment" and substituting the word "transfer".

Section 154 amended

- 18. Section 154 is amended
- (a) as to subsection (1)
  - (i) by striking out the words "an assignment" and by substituting the words "a transfer",
  - (ii) by striking out the words "such assignment" and by substituting the words "such transfer",
- (b) as to subsection (2) by striking out the word "assignment" and substituting the word "transfer".

Section 191 amended

**19.** Section 191, subsection (3) is amended by striking out the words "an assignment" and substituting the words "a transfer".

Section 202 amended **20.** Section 202, subsection (1) is amended by striking out the word "assignment" and substituting the word "transfer".

Section 214 repealed 21. Section 214 and the heading "Transfer of Lease" are repealed.

Section 261 amended 22. Section 261, subsection (2) is amended by striking out the words "area allocated to the well by the Petroleum and Natural Gas Conservation Board for the purposes of production" and substituting the words "spacing unit of the well".

Section 262 amended 23. Section 262 is struck out and the following substituted:

Rights granted with lease

- "262. (1) The lease grants the right to the petroleum and natural gas that are the property of the Crown in the location.
- "(2) Notwithstanding subsection (1) the lease does not grant the right to bituminous sands or to the petroleum or natural gas that may be recovered therefrom.".

Section 264 repealed

24. Section 264 is repealed.

Section 265 amended 25. Section 265 is struck out and the following substituted:

Spacing unit of well

"265. Where a well has been drilled on a location the lessee may, with the consent in writing of the Minister,

transfer to himself or to any other person the portion of the location comprising the spacing unit of the well.".

- 26. Section 266 is amended by striking out the word Section 266 amended "assign" and substituting the word "transfer".
- 27. Section 267 is struck out and the following sub-Section 267 stituted:
- "267. Where the Crown is a party to a unit operation, Rate of royalty of the unit shall be deemed a location for the the area of the unit shall be deemed a location for the purpose of determining the rate of royalty applicable to the portion of the production allocated to any tract contained in an agreement.".

28. Section 270 is struck out and the following sub-Section 270 stituted:

"270. Where the spacing unit of a well is only partially Payment of royalty contained in a location, the royalty to be paid to the Crown shall be in the proportion that the acreage of the part of the spacing unit contained in the location bears to the whole acreage of the spacing unit, and if the well is not on the location, it shall be deemed to be on the location.".

29. Section 273 is amended by striking out subsection Section 273 amended (3) and substituting the following:

- "(3) On the failure of the lessee to perform any requirement under subsection (2), the Minister may withdraw from the agreement the portion of the location comprising the spacing unit.
- "(4) Upon the withdrawal by the Minister of a portion of a location from an agreement under subsection (3) the lessee and every other person
  - "(a) cease to have any rights in and to the portion of the location so withdrawn,
  - "(b) are not entitled to any compensation whatsoever,
  - "(c) are relieved from further responsibility for the well.".
- 30. Section 274 is amended by striking out the word Section 274 "Resources".
  - **31.** Section 282 is amended

Section 282 amended

- (a) as to subsection (2), clause (b) by striking out the words "under The Oil and Gas Resources Conservation Act,",
- (b) as to subsection (3), clause (a) by striking out the words "Petroleum and Natural Gas" and substituting the words "Oil and Gas".
- **32.** Section 287, subsection (1) is amended by striking section 287 out the words "Petroleum and Natural Gas" and sub-amended stituting the words "Oil and Gas".

Section 290 repealed

**33.** Section 290 is repealed.

New Part VIII

**34.** Part VIII is struck out and the following substituted:

#### "PART VIII

# "REGISTRATION OF TRANSFERS AND DOCUMENTS

Interpretation "document"

"295. In this Part,

"(a) "document" means an instrument pertaining to any right granted under an agreement, other than a transfer;

"registration" "register"

- "(b) "registration" or "register" means
  - "(i) the entering in a book authorized by the Minister for that purpose of a transfer or document, and
    - "(ii) the endorsing on or the attaching to the agreement affected of a memorandum evidencing an entry under subclause (i);

"transfer"

"(c) "transfer" means an instrument in Form E in the Schedule or to a like effect and capable of registration under section 296.

Registration of transfer

- "296. (1) A transfer with respect to an agreement that the lessee is not prohibited from transferring or agreeing to transfer by any provision of this Act or any regulation or by the terms of the agreement, may be registered by the Minister if the transfer conveys
  - "(a) the whole of the agreement,
  - "(b) a specified undivided interest in the agreement, or
  - "(c) a portion of the location contained in the agreement.
- "(2) The Minister may in his discretion refuse to register a transfer submitted for registration, if
  - "(a) it is not executed by the transferor and the transferee in such manner and accompanied by such proof of execution as is satisfactory to the Minister,
  - "(b) registration thereof would result in more than five persons being the holder of the agreement,
  - "(c) an undivided interest conveyed is less than a ten per cent undivided interest in the agreement, or
  - "(d) the prescribed fee is not paid.
- "(3) If a transfer is executed by an attorney or agent, the authority of the attorney or agent in a form satisfactory to the Minister shall be submitted to the Minister.
- "(4) Before a transfer may be registered the lessee's copy of the agreement shall be submitted to the Minister.
- "(5) On the registration of a transfer, the transferee becomes the holder of the estate, right and interest so transferred.
- "(6) A transfer registered under this Part is valid against and prior to any unregistered transfer.

- "(7) In so far as a transfer affects the Crown, the transfer shall be deemed to take effect from the time of its registration.
- "297. (1) A lessee may transfer an agreement to him- Transfer of agreement self and another person or persons, and upon registration of the transfer is entitled to the interest that the transfer purports to convey to him to the same extent as if he were not the transferor.

- "(2) Two or more persons, being the lessee of an agreement, may transfer the agreement to one or more of them, who upon registration of the transfer are entitled to the interest that the transfer purports to convey to him or them to the same extent as if he or they were not the transferor.
- "298. The Lieutenant Governor in Council may make Regulations regulations
  - "(a) providing for the registration of documents,
  - "(b) prescribing the nature of the documents that may be registered, and
  - "(c) prescribing the conditions under which documents may be registered.
- "298a. Where, by a document made pursuant to section Agreement as security 82 of the Bank Act (Canada), an agreement from the Crown with respect to petroleum or natural gas or both or any interest therein is assigned, transferred or set over as security to a chartered bank by the holder of the agreement or by a person having an interest therein, there may be registered by the Minister upon payment of the prescribed fee

- "(a) an original of the document,
- "(b) a copy of the document certified by an officer or employee of the bank to be a true copy thereof, or
- "(c) a caveat in respect of the rights of the bank.
- "298b. The Lieutenant Governor in Council may from Tariff of time to time establish a tariff of fees pertaining to

"(a) the registration of transfers,

- "(b) the registration of documents, and
- "(c) any services supplied by the Department in connection with transfers and documents.".
- 35. Section 304 is struck out and the following sub-Section 304 stituted:
- "304. (1) If any question arises as to the meaning of Bituminous bituminous sands given in clause (c) of subsection (1) of section 2, the question shall be referred to the Minister whose decision thereon is final.

"(2) In this Part "bituminous sands rights" means

"(a) the right to mine, quarry, work, remove, treat or rights" process bituminous sands including the recovery of any products therefrom whether above or below the surface, and

"(b) the right to dispose of bituminous sands and any products recovered therefrom.".

Schedule amended **36.** The Schedule is amended by adding after Form D the following:

#### "FORM E

"(Section 295)

#### "TRANSFER

#### BETWEEN:

(give full name, residence and occupation or if a corporation, give corporate name, place of incorporation and principal or chief place of business within the Province of Alberta)

(hereinafter called "the transferor")

#### — and —

(give full name, residence and occupation or if a corporation, give corporate name, place of incorporation and principal or chief place of business within the Province of Alberta)

(hereinafter called "the transferee")

The transferor, being the holder of

No. dated (or refer to a Schedule attached)

And the transferee hereby agrees to this transfer to him of the said (agreement(s) or portion of the location described in the said agreement).

And the post office address of the transferee is.....

Signed, sealed and delivered by

(attesting witness or corporate seal)
Date

(attesting witness or corporate seal)
Date....."

37. This Act comes into force on the day upon which the Revised Statutes of Alberta, 1955, come into force.





# ALBERTA REGULATION 798/57

### TARIFF OF FEES

# (0.C. 2008/57)

# Established under The Mines and Minerals Act

(Filed December 31, 1957)

### Part I

1.	Application for							
	(a)	petroleum and natural gas lease	\$10.00					
	(b)	natural gas lease	10.00					
	(c)	lease of any other mineral	5.00					
	(d)	geophysical licence	25.00					
2.	Transfer of							
	(a)	petroleum and natural gas lease	10.00					
	(b)	natural gas lease	10.00					
	(c)	reservation of petroleum and natural gas	10.00					
	(d)	natural gas licence	10.00					
	(e)	prospecting permit	10.00					
	(f)	lease of any other mineral	5.00					
	(g)	portion of the location of a lease	25.00					
3.	Certified copy of a transfer							
4.	Request to reduce the area of a lease 2.50							
5.	Request for each division of a lease 25.00							
6.	Renewa	al of						
	(a)	petroleum and natural gas lease	10.00					
	(b)	natural gas lease	10.00					



# ALBERTA REGULATION 798/57

### TARIFF OF FEES

# (0.C. 2008/57)

# Established under The Mines and Minerals Act

(Filed December 31, 1957)

### Part I

1.	Applic	ation for					
	(a)	petroleum and natural gas lease					
	(b)	natural gas lease	10.00				
	(c)	lease of any other mineral	5.00				
	(d)	geophysical licence	25.00				
2.	Transfer of						
	(a)	petroleum and natural gas lease	10.00				
	(b)	natural gas lease	10.00				
	(c)	reservation of petroleum and natural gas	10.00				
	(d)	natural gas licence	10.00				
	(e)	prospecting permit	10.00				
	(f)	lease of any other mineral	5.00				
	(g)	portion of the location of a lease	25.00				
3.	Certif	fied copy of a transfer	2.50				
4.	Request to reduce the area of a lease 2.50						
5.	Reque	st for each division of a lease	25.00				
6.	Renews	al of					
			10.00				
	(a)	petroleum and natural gas lease	10.00				
	(b)	natural gas lease	10.00				



(c) lease of any other mineral	5.00
(d) geophysical licence	25.00
7. Reinstatement of a lease-10 cents an acre, subject	
to a minimum charge of	10.00
and a maximum charge of	250.00
8. Filing of, except for labour,	
(a) mechanic's lien	5.00
(b) discharge of a mechanic's lien	3.00
(c) certificate of lis pendens	3.00
9. Search of a lease, licence, reservation, permit or	
other agreement	
(a) verbal	.50
(b) written	1.50
10. Certified copy of a lease, licence, reservation,	
permit or other agreement when a statutory	
declaration is submitted relating to loss or	
destruction of original	5.00
Part II	
This part applies only to quartz and placer claims	
11. Recording a claim	10.00
12. Renawal of a placer claim	10.00
13. Certificate of work	10.00
14. Certificate of improvements	10.00
15. Certificate of partnership	10.00

16. Transfer of a claim.....

5.00



17.	Recording an abandonment, affidavit or any other								
	document, for each claim	2.00							
18.	An abstract of the record of a claim								
	(a) the first entry	2.00							
	(b) each additional entry	.50							
19.	Certified copy of a document	5.00							
20.	Examination of a document								
21.	Recording a power of attorney under Part II of the								
	Act								
	(a) to stake for one person								
	(b) to stake for two persons	20.00							
22.	Recording a power of attorney under Part III of the								
	Act								
	(a) to stake for one person	5.00							
	(b) to stake for two persons	10.00							

### Part III

23. For any service supplied by the Department not otherwise provided for, such fee as may be fixed by the Minister.







## GOVERNMENT OF THE PROVINCE OF ALBERTA

DEPARTMENT OF MINES AND MINERALS

Petroleum and Natural Gas Royalty Regulations established by Order in Council dated the fifth day of June, 1951, and numbered O.C. 808/51 and amended by Orders in Council dated the tenth day of December, 1954, and numbered O.C. 1676/54 and the thirtieth day of December, 1955, and numbered O.C. 1651/55.

- 1. The royalty to be computed, levied and collected by the Crown in the right of the Province on all products obtained from a petroleum and natural gas location or a natural gas location shall be that part of the products obtained from each well during each calendar month calculated free and clear of any deductions whatsoever as follows:
  - (a) with respect to crude petroleum oil, in accordance with the Schedule hereto attached;
  - (b) with respect to other fluid hydrocarbons and sulphur obtained by processing natural gas by absorption or other methods approved by the Minister of Mines and Minerals, twelve and one-half  $(12\frac{1}{2}\%)$  per cent; and
  - (c) with respect to natural gas or residue gas sold or consumed for some useful purpose, fifteen (15%) per cent of the selling price or fair value at the time and place of production; provided that in no event shall the royalty on natural gas or residue gas be less than three quarters of one cent (3/4c) per thousand cubic feet (Mcf) unless the Minister otherwise directs where such gas is processed to obtain liquid hydrocarbons, sulphur compounds or carbon dioxide.
- 2. Any sale of the products of the location, until otherwise ordered by the Minister of Mines and Minerals, shall include the royalty share of such products belonging to the Crown.
- 3. No royalty shall be payable on natural gas or residue gas consumed for drilling or production purposes on the location.
- 4. The royalties fixed by this Order shall come into force and effect on the 1st day of June, 1951, and shall continue in force for a period of ten years and thereafter until changed by Order of the Lieutenant Governor in Council.



- 5. Where any question arises pertaining to the interpretation of these regulations the Minister shall be the sole judge and there shall be no appeal from his decision.
- 6. (1) Where by an order of The Petroleum and Natural Gas Conservation Board made pursuant to The Oil and Gas Resources Conservation Act, 1950, the maximum allowable production from a well is determined on a yearly basis, the rate at which royalty has been computed, levied and collected on crude petroleum oil obtained from the well shall, at the end of each one-year period provided for in the said order of the Board, be recalculated for each month during the year, and for such purpose the production of crude petroleum oil in each month shall be deemed to be one-twelfth of the total production of crude petroleum oil during the year.
- (2) Following the recalculation made under subsection (1), the Minister may rebate, remit or refund the part of the royalty levied and collected that is in excess of that which would be levied and collected at the rate as recalculated.



# SCHEDULE

"Barrel" means 35 Imperial Gallons

Monthly Production in Barrels	Crown Royalty for the Month in Barrels					
0 to 600	5 per cent of the number of barrels produced					
600 to 750	30 plus 14 per cent of the number of barrels produced in excess of 600					
750 to 950	51 plus 17 per cent of the number of barrels produced in excess of 750					
950 to 1,150	85 plus 18 per cent of the number of barrels produced in excess of 950					
1,150 to 1,500	121 plus 19 per cent of the number of barrels produced in excess of 1,150					
1,500 to 1,800	12½ per cent of the number of barrels produced					
1,800 to 4,050	225 plus 20 per cent of the number of barrels produced in excess of 1,800					
<b>4,</b> 050 and over	16% per cent of the number of barrels produced.					



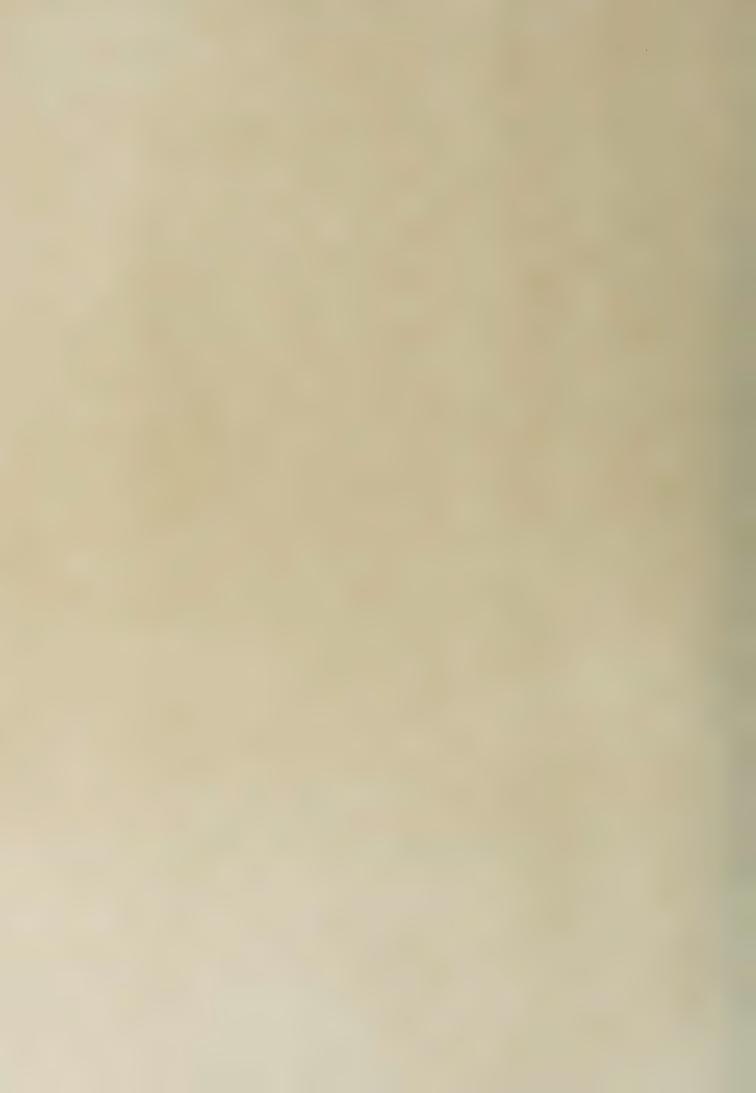




# CANADA TO THE PROFINCE FROM ROYALTIES ON PETROLEUM AND NATURAL GAS DISPOSALS AND NATURAL GAS DISPOSALS FOR THE CALL DAR YEARS 1947 TO 1957

	1947	1946	1949	1950	<u>1951</u>	1952	· <u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>Total</u>
OIL	\$ 766,143.	\$ 1,379,118.	\$ 3,275,779.	\$ 4,852,455.	\$ 9,842,865.	\$12,535,463.	\$15,958,766.	\$19,175,010.	\$25,551,609.	\$34,841,941.	<b>\$35,384,313.</b>	\$163,563,462.
GAS		angertee	-	-	157,747.	299,703.	339,463.	438,135.	, 493,862.	525,556.	583,460.	2,837,9%.
OTHER PRODUCTS		Application Control		Mour		26,116.	43,607.	54,634.	56,125.	66,143.	70,718.	319,408.
TOTAL	\$ 700,143.	1,379,118.	<b>\$</b> 3,275,779.	\$ 4,852,455.	\$10,000,e12.	\$12,801,262.	\$16,341,656.	\$19,667,779.	<b>2</b> 6,103,656.	\$35,433,645.	\$36.038./91.	3160,720,796,

All Royalties appear as Gil Royalties until 1951.

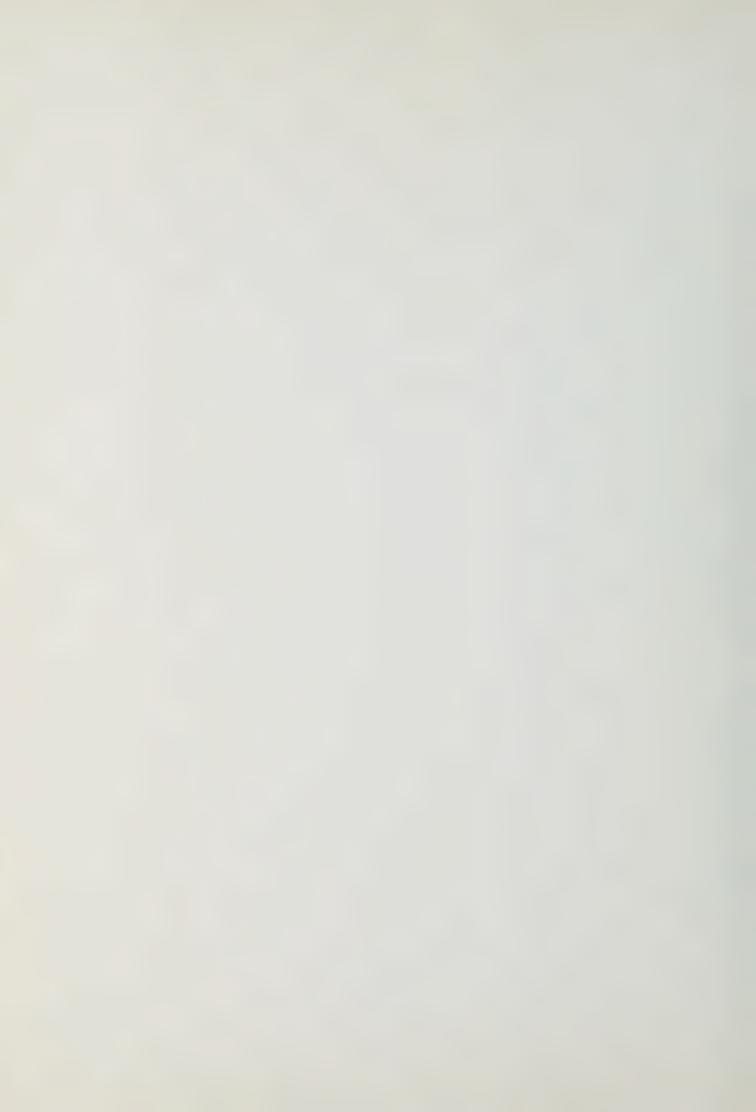






Map showing Provincial Reserves

( Not included )







### RAVANUES TO THE PROVINCE FROM SALES OF CROMM RESERVES FOR THE CALENDAR YEARS 1948 TO 1957

	1948	1949	1950	1951	1952	1953	1954	1955	<u>1956</u>	<u>1957</u>	Total
FETROLEUM AND NATURLL CAS LEASES	\$3,142,258.	\$19,165,932.	\$30,200,266.	\$13,660,394.	\$22,357,440.	\$17,596,810.	\$23,810,941.	\$40,258,830°	\$00,729,673.	\$40,505,008.	\$200,308,170.
PETFOLEUM AND NATULAL GAS RESHAVATIONS		590,034.		1,,96,174.	35,365.	3,698,908.	32,557,754.	15,544,805.	1,105,633.	15,621,854.	68,507,125.
DRILLING RESERVATIONS			en thus				7,244,730。	8,259,252.	3,858,218.	11,503,167.	30,565,367.
NATURAL GAS LICENCES					mate	1,239,171.	876,049.	303,219.	961,685.	71),763.	4,093,887.
NATURAL GAS LEASES	Christin				mn-princip)	231,672.	31,114.	8,674.	<b>0,8</b> 00.	15,379.	292,705.
TOTAL	33,142,258.	\$19,762,566.	\$30,200,388.	315,078,508.	\$22,39-,805.	\$22,700,501.	<b>√</b> 04,650,588.	\$02,374,774.	372,660,075.	\$68,219,771.	\$387,506,254.







# REVELUES TO THE PROVINCE FROM BONUSES AND RENTALS ON PETROLEUM AND NATURIL GAS DISPOSALS AND NATURIL GAS DISPOSALS FOR THE CALSEDAR YEARS 1947 TO 1957

		1947	1948	1949	1950	<u>1951</u>	<u>1952</u>	1953	1954	1955	<u>1956</u>	<u>1957</u>	Total
MUMUSES	\$	3,665.\$	59,282.	\$ 495,493.	259,637.\$	569,262.	\$ 1,067,469.	\$ 1,719,054.	\$ 5,7.5,818.	\$ 1,112,0/1.	₹ .,′1,.c9.	<b>♦</b> 1,576,039.	\$ 15,25c,509.
PETROLEUM AND NATURAL	,						16,151,472.						15 ,747.141.
NATURAL GAS	\$	-		elityy III	Maria	286,619.	115,447.	100,170.	165,009.	260,244.	260,850.	334, 16.	1,575,255.
TOTAL	\$ 5	567,597.\$2,	,018,612.	\$5,010,908. \$	a,584,5 <b>87</b> l	4,400,067.	,17,952,388.	:21,074,311.	\$ 4,402,141.	\$20,477,004.	\$-4,7,0,236.	₩,101,599.	\$169,558,765.







Map showing Reservation Area

( Not included )









## GOVERNMENT OF THE PROVINCE OF ALBERTA DEPARTMENT OF MINES AND MINERALS

Petroleum and Natural Gas

Lease No.

File No.

### This Indenture, made in duplicate this

day of

in the year of Our Lord one

thousand nine hundred and

#### Betmeen:

HER MAJESTY THE QUEEN, in the right of the Province of Alberta, hereinafter called "Her Majesty", represented herein by the Minister of Mines and Minerals of the said Province of Alberta, hereinafter called the "Minister",

OF THE FIRST PART;

AND

hereinafter called the "Lessee", OF THE SECOND PART:

WHEREAS under and by virture of The Mines and Minerals Act, being Chapter 204 of the Revised Statutes of Alberta 1955, the Minister is empowered to dispose of petroleum and natural gas rights in the Province of Alberta in accordance with Part VI of the said Act and other provisions of the said Act applicable to such dispositions; and

WHEREAS the lessee having applied for a lease of the petroleum and natural gas rights in the lands hereinafter described, the Minister has granted such application under the said provisions of The Mines and Minerals Act upon the terms and conditions herein contained.

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the rents and royalties hereinafter reserved and subject to the conditions, covenants, provisoes, restrictions and stipulations hereinafter

expressed and contained, Her Majesty doth grant unto the lessee in so far as the Crown has the right to grant the same the exclusive right and privilege to explore for, work, win and recover petroleum and natural gas within and under the lands more particularly described as follows, namely:

together with the right to dispose of the petroleum and natural gas recovered.

SAVING AND EXCEPTING NEVERTHELESS that this lease does not grant the right to bituminous sands or to the petroleum or natural gas that may be recovered therefrom.

TO HAVE AND ENJOY the same for the term of twenty-one years,

to be computed from the

day of

, one thousand nine hundred and

renewable for further terms each of twenty-one years so long as the location is capable of producing petroleum or natural gas in commercial quantity, provided the lessee furnishes evidence satisfactory to the Minister to show that during the term of the lease he has complied fully with the conditions of such lease and with the provisions of The Mines and Minerals Act in force from time to time during the currency of the lease. The lease and any such renewals thereof shall be subject to all such provisions of The Mines and Minerals Act and the regulations in force from time to time during their currency and each renewal shall be in accordance with the provisions of the said Act and the regulations in force at the time of the granting of such renewal.

YIELDING AND PAYING therefore during each and every year of the said term unto Her Majesty the clear yearly rent or sum of One dollar (\$1.00) of lawful money of Canada for each and every acre of land comprised within the lands herein described, such rent being payable yearly in advance

on the day of in each

year of the said term, the first of which payments has been made on or before the execution of these presents; and also rendering and paying therefor unto Her Majesty a foyalty on all petroleum and natural gas taken from the said lands whether or not such petroleum or natural gas or any or either of them when taken from the said lands is in suspension in or is combined with or forms part of any other substance or substances whether gaseous, liquid or solid, at such rate as is now or may hereafter from time to time be prescribed by the Lieutenant Governor in Council, the royalty to be free and clear of and from all costs of recovering, separating or freeing the petroleum or natural gas or any or either of them from any other substance or substances whether by separation, absorption, polymerization, or by means of any other work, labour, process, or chemical reaction, such rent and royalty to be free and clear of and from all rates, taxes and assessments and from all manner of deduction whatsoever. The maximum royalty payable on the petroleum during the first term of this lease shall not exceed one-sixth of the gross recovery from the lands herein described.

AND THE LESSEE DOTH HEREBY COVENANT AND AGREE with Her Majesty as follows, namely:

1. That the lessee at all times shall perform, observe and comply with the provisions of The Mines and Minerals Act, and any regulations that at any time may be made under the authority of the said Act or any Act or Acts passed in substitution therefor, and all such provisions and regulations that prescribe, relate to or affect the rights, obligations, privileges and restrictions of and upon lessees of petroleum and natural gas rights, the property of the Crown, shall be deemed to be incorporated into these presents and shall bind the lessee in the same manner and to the same extent as if the same were set out herein as covenants on the part of the lessee; provided

that each and every provision or regulation hereafter made shall be deemed to be incorporated into these presents and shall bind the lessee as and from the date it is made, and in the event of conflict between any regulation hereafter made and any regulation previously made the regulation last made shall prevail.

- 2. That the lessee shall not enter upon the lands herein described or any part thereof when the right to the use of the surface is vested in some person other than the lessee until the lessee has complied with The Right of Entry Arbitration Act, or any Act or Acts passed in substitution therefor.
- 3. That the lessee at all times shall perform, observe and comply with the provisions of The Oil and Gas Conservation Act, and The Gas Resources Preservation Act, 1956, and any Act or Acts passed in substitution for them or either of them, and any order of the Oil and Gas Conservation Board made pursuant to any of such Acts, and any regulations that at any time may be made under the authority of any of such Acts, and all such provisions, orders and regulations shall be deemed to be incorporated into these presents and shall bind the lessee in the same manner and to the same extent as if the same were set out herein as covenants on the part of the lessee; provided that each and every provision, order or regulation hereafter made shall be deemed to be incorporated into these presents and shall bind the lessee as and from the date it is made, and in the event of conflict between any order or regulation hereafter made and any order or regulation previously made the order or regulation last made shall prevail.
- 4. That the lessee shall keep correct books of such kind and in such form as may be prescribed by the Minister, showing the quantity of petroleum and natural gas taken out of the lands herein described, and whenever required to do so shall submit such books to the inspection of any officer or person appointed or authorized by the Minister to examine the same for the purpose of verifying the reports made by the lessee.
- 5. That the lessee shall well and truly pay or cause to be paid to the Minister at Edmonton, the rent and royalty hereby reserved.
- 6. That the lessee covenants, and it is an express condition upon which this lease is granted, that natural gas taken from the lands herein described shall be used within the Province of Alberta, unless the consent of the Lieutenant Governor in Council to its use elsewhere has been previously obtained. Upon any breach of this covenant and condition occurring, whether with or without the consent or knowledge of the lessee, this lease, in so far as it relates to the natural gas within and under the lands herein described, shall forthwith be terminated, shall become null and void, and shall cease to have any further force or effect, and the natural gas within and under the lands herein described shall thereupon revert to Her Majesty, freed and discharged from any interest or claim of the lessee or any other person or persons whatsoever claiming by, through or under the lessee.
- 7. That the lessee shall deliver to the Minister, within such time as the Minister may specify, a statement in writing verified by affidavit or

statutory declaration by the lessee or on his behalf, setting out such information as the Minister may direct with reference to any operation or proceeding of the lessee in respect of any well or other work constructed or operated under the authority of these presents.

- 8. That the lessee shall permit any inspector or other person duly authorized by the Minister in that behalf, with all proper or necessary assistants, at all reasonable times during the said term, to enter into and upon any part or parts of the lands herein described occupied by the lessee and any buildings, structures and erections thereon, and into any part, thereof, and to survey and examine the state and condition thereof, provided nevertheless that in doing so no unnecessary interference is caused with the carrying on of the drilling or other work of the lessee; and the lessee; by all means in his power shall aid and facilitate such inspector or other person in making such entry, survey and examination.
- 9. That any plant, buildings, erections and fixtures whatsoever that have been affixed to the soil and are so affixed at the termination of this lease shall be deemed to be fixed to the soil and, together with all tools and machinery on the lands herein described, shall be the property of Her Majesty; provided that in case the lessee has fully somplied with all the terms and conditions of the lease he, at any time within sixty days after the day upon which the lease is terminated, may remove any such machinery, tools, plant, buildings, erections and fixtures whatsoever other than the casing and other equipment placed in, on, or about any well, and that in default of such removal within the time aforesaid the tight, title and interest of the lessee in all such machinery, tools, plant, buildings, erections and fixtures whatsoever shall upon the determination of this lease, cease and determine.
- 10. That the lessee shall assume all liability for all damages of any nature whatsover caused by the lessee, his servants, workmen, agents or licensees or in any way due to any drilling, work, construction, reconstruction, operation and patrolling carried on upon, in or under the lands herein described whether the same has been negligently drilled, worked, constructed, reconstructed, patrolled or not.
- 11. That the lessee shall keep Her Majesty indemnified against all claims and demands that may be made against Her Majesty by reason of anything done by the lessee, his servants, workmen, agents or licensees, in the exercise or purported exercise of the rights, powers, privileges and liberties hereby granted.
- 12. That the lessee shall pay and discharge all taxes now charged or hereafter to be charged upon the demised premises.
- 13. That the lessee at all times shall perform, observe and comply with orders or directions of any nature whatsoever made or given by the Eastern Rockies Forest Conservation Board relating to or affecting any of the lands herein described which are located in a Forest Reserve, without compensation to the lessee of any nature whatsoever.

AND IT IS HEREBY AGREED by and between Her Majesty and the lessee as follows:

- 1. That if and whenever the rent or royalty hereby reserved, or any part thereof, is in arrears and unpaid for a period of more than thirty days, or if default is made by the lessee in the performance or observance of any of the covenants on the part of the lessee herein contained for a period of thirty days from and after the date of the sending by mail of a notice by or on behalf of the Minister to the lessee of such default, then and in every such case and as often as the same may happen, and notwithstanding any previous waiver, the Minister by writing may declare this lease to be terminated, and thereupon this lease shall become and be terminated, and be null and void for all purposes other than and except as to any liability of the lessee under the same incurred before and subsisting at the day when the lease is declared to be terminated as aforesaid.
- 2. That any notice affecting the tenancy hereunder that Her Majesty or the Minister may desire to serve upon the lessee shall be served sufficiently upon the lessee if posted to him addressed to his last known address, or if left at the said address. A notice sent by post shall be deemed to be given at the time of mailing the notice.
- 3. That any notice, demand, notice of cancellation or default, or other communication, which Her Majesty or the Minister may require or desire to give or serve upon the lessee may be legally given or served by the Minister, Director of Mineral Rights, or any other officer of the Department duly authorized in writing by the Minister.
- 4. That no waiver on behalf of Her Majesty of any breach of any of the conditions, covenants, provisoes, restrictions and stipulations herein contained, whether negative or positive in form, shall take effect or be binding upon Her Majesty, unless the same be expressed in writing under the authority of the Minister, and any waiver so expressed shall not limit or affect Her Majesty's rights with respect to any other or future breach.
- 5. That no implied covenant or liability of any kind on Her Majesty's part is created by the use of the words "demise" or "lease" herein, or by the use of any other word or words herein, or shall otherwise arise by reason of these presents or anything herein contained.
- 6. That if the term hereby granted or the lessee's goods and chattels on the demised premises which are liable to distress shall at any time be seized or taken in execution or in attachment by any creditor of the lessee, or if the lessee shall make any assignment for the benefit of creditors, or becoming bankrupt or insolvent, shall take the benefit of any Act that may be in force for bankrupt or insolvent debtors, the term immediately shall become forfeited and void.
- 7. That this lease shall be so construed as to inure to the benefit of the lessee and such of his heirs, executors, administrators and assigns as are entitled or permitted to benefit thereunder pursuant to The Mines and Minerals Act, and to no other persons.

8. That the expression "Minister" means the Minister of Mines and Minerals for the time being and includes the Deputy Minister of Mines and Minerals and the expression "Department" means the Department of Mines and Minerals.

IN WITNESS WHEREOF the parties hereto have executed this indenture as of the day and year first above written.

SIGNED, SEALED AND DELIVERED in the presence of	
·	Minister of Mines and Minerals.
And by the lessee in the presence of	
Witness as to Lessee.	Lessee.









File No.	
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## GOVERNMENT OF THE PROVINCE OF ALBERTA DEPARTMENT OF MINES AND MINERALS

PETROLEUM AND NATURAL GAS RESERVATION NO.

Know all Men by These Bresents that in consideration of and subject to the provisoes, conditions and restrictions hereinafter contained, RESERVATION is hereby made of the Petroleum and Natural Gas Rights, the property of the Crown in the right of the Province of Alberta, to

heirs, executors, administrators and assigns in accordance with the Petroleum and Natural Gas Reservation Regulations in the following lands, namely:



This reservation is subject to:

- (i) the Petroleum and Natural Gas Reservation Regulations,
- (ii) the condition that natural gas produced from the lands herein described shall be used or processed within the Province of Alberta, unless the consent of the Lieutenant Governor in Council to its being used or processed elsewhere has been previously obtained, and
- (iii) the compliance with any orders or directions of any nature whatsoever made or given by the Eastern Rockies Forest Conservation Board relating to or affecting any of the lands herein described which are located in a Forest Reserve without compensation to the bolder of the reservation of any nature whatsoever.

1	N WITNESS WHEREOF I have hereto	set my har	nd and the seal of the Depa	artment	
at the C	ity of Edmonton, in the Province of A	lberta, this	<b></b>		
day of	(a) (b) (c) (c) (c) (c) (c) (c) (c) (c) (c) (c				
l (we) hereby a all the	ccept this reservation and agree to e terms and conditions thereof.		Director of Mineral Rights.		
			(Witness)		
	Reservation Fee - \$250.00	Receipt	No		
	Deposit \$				



# GOVERNMENT OF THE PROVINCE OF ALBERTA DEPARTMENT OF MINES AND MINERALS

#### PETROLEUM AND NATURAL GAS RESERVATION REGULATIONS

under

THE MINES AND MINERALS ACT

Regulations Governing Reservations of
Petroleum and Natural Gas Rights
(0.C. 2007/57)

(FiledDecember 31, 1957.)

- 1. These regulations may be cited as the Petroleum and Natural Gas Reservation Regulations.
- 2. In these regulations,
  - (a) "Board" means the board appointed pursuant to the provisions of section 15;
  - (b) "Department" means the Department of Mines and Minerals;
  - (c) "Director" means the Director of Mineral Rights of the Department;
  - (d) "Minister" means the Minister of Mines and Minerals;
  - (e) "secretary" means the secretary of the Board.
- 3. (1) An application for a reservation of petroleum and natural gas rights that are the property of the Crown, shall be filed at the office of the Director and may be granted subject to the provisions of these regulations.
  - (2) An application under subsection (1) shall be made
    - (a) in person where the applicant is a natural person, and
    - (b) by an agent in person where the applicant is a company.
- 4. (1) An application for a reservation shall be accompanied by



- (a) a fee of \$250.00, and
- (b) a deposit of \$2,500.00 for each twenty thousand acres or portion thereof applied for.
- (2) The deposit may be made in cash or negotiable bearer bonds of the Dominion of Canada or the Province of Alberta.
- (3) The fee and deposit shall be refunded if the application is not granted.
- 5. (1) No application shall be made for an area of more than one hundred thousand acres.
- (2) The length of the tract applied for shall not be greater than three times its breadth except with the consent of the Minister.
- 6. The number of reservations that may be held by a person at any one time by application under these regulations shall not exceed two.
- 7. (1) The holder of a reservation is prohibited from transferring a portion of the location contained in the reservation.
- (2) Subject to subsection (1) the holder may transfer the reservation to the extent permitted under The Mines and Minerals Act.
- 8. (1) A reservation shall convey the right to drill a well or wells for petroleum and natural gas that are the property of the Crown in the lands comprised in the reservation and the right to produce the same.
- (2) Notwithstanding subsection (1) the reservation does not grant the right to bituminous sands or to the petroleum and natural gas that may be recovered therefrom.
- 9. Any person who, prior to the time of application for a reservation, has defined on the ground in unsurveyed territory a location in the



- 3 -

manner prescribed by Part VI of The Mines and Minerals Act and who makes application for a lease at the office of the Mining Recorder within the time prescribed by the said Act, shall have the prior right to the lease and the location with the Crown Reserve created therefor shall automatically be withdrawn from the reservation.

- 10. (1) The term of a reservation shall be four months from the operative date.
- (2) A reservation which is issued between the first of October and the thirty-first of December in any year shall become operative the first day of January following, while the operative date of any reservation otherwise issued shall be the date of its issue.
- 11. (1) The holder of a reservation shall submit to the Director a plan detailing the nature of the examination proposed to be made for approval by the Minister within ninety days from the operative date of the reservation.
- (2) If the plan is approved the date when the examination is expected to commence shall be submitted to the Director within four months of the operative date.
- (3) If the date proposed for commencement of the examination is satisfactory the reservation shall be renewed for a period of four months.
- (4) The plan of examination as approved may not be subsequently varied in any way without the consent of the Minister.
- (5) A plan of examination proposed to be made may, with the approval of the Minister, include a geological survey, subject to such terms and conditions as he may prescribe.
- 12. (1) The deposit shall be held by the Department as a guarantee that



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the examination will be carried out in accordance with these regulations.

- (2) The deposit shall be subject to forfeiture unless evidence is furnished that during the period of the reservation an examination satisfactory to the Minister was made.
- 13. (1) Within eight months of the operative date, a progress report of the examination carried out together with an estimate of the cost thereof shall be submitted to the Director.
- (2) If the progress report is satisfactory, the reservation shall be renewed for a further period of four months.
- 14. (1) If the holder is continuing the examination to the satisfaction of the Director, the reservation shall be renewed for further periods, not exceeding four in number, upon payment of a fee in the case of each of the first and second renewals of seven cents for each acre comprised in the reservation and in the case of each of the third and fourth renewals of eight cents for each acre comprised in the reservation.
- (2) Each period of renewal under subsection (1) shall be for three months unless extended pursuant to section 17.
- 15. (1) There shall be a board of arbitrators consisting of three members, one of whom shall be appointed as chairman by the Lieutenant Governor in Council and the other two members shall be appointed by the Minister.
- (2) A secretary for the Board shall be appointed by the Minister and shall be an employee of the Department.
- 16. (1) Where the nature of the terrain or the inaccessibility of the area under reservation or any other condition over which the holder of the reservation has no control, delays the performance of the examination



- 5 -

within the period of a renewal granted under section 14, the holder may submit an application to the Director for an extension of the renewal.

- (2) An application under subsection (1) shall be made before the end of any subsisting or the last renewal of the reservation granted under section 14 and shall be accompanied by a brief for consideration by the Board.
- (3) The brief for the Board shall be in quadruplicate and shall include
  - (a) a copy of the application,
  - (b) a summary indicating the operative date of the reservation, renewals and extensions obtained,
  - (c) a statement of each type of work performed on the reservation and the actual or estimated cost thereof,
  - (d) a statement of the difficulties encountered upon which the holder of the reservation relies in his application, and
  - (e) a statement of the work proposed to be done on the reservation.
  - (4) The brief shall be signed by the applicant or his agent.
- (5) The Director shall forward the brief to the secretary who shall inform the applicant of the time set for the hearing of the application by the Board.
- (6) The Board in its discretion may vary any of the requirements of subsections (2) and (3).
- (7) Upon hearing the application the Board shall forward its recommendation to the Minister.
- 17. (1) Upon receipt of a recommendation of the Board, the Minister



may grant or refuse the application or make such other disposition of it as he deems advisable.

- (2) An extension granted by the Minister under subsection (1) shall be for a period not exceeding three months for any renewal under section 14 and may be upon such terms and subject to such conditions, including the payment of a fee, as he may prescribe.
- 18. (1) Upon a representation to the Minister that the nature of the terrain or the inaccessibility of the area under reservation or any other condition over which the holder has no control, has seriously retarded the performance of the examination so that it cannot be completed during the renewals under section 14 and any extensions obtained under section 17, the reservation may be extended in the discretion of the Minister for such period or periods and upon such terms and subject to such conditions, including the payment of a fee or fees, as may be prescribed by the Minister.
- (2) The holder of a reservation who applies for an extension under this section shall submit
  - (a) a summary of the operations already conducted,
  - (b) particulars of the operations to be conducted during the period of the extension applied for,
  - (c) an estimate of the cost of the projected operations, and
  - (d) such further information as the Minister may require.
- 19. (1) Where drilling for the discovery of oil is being conducted in lands comprised in a reservation at the close of the final renewal or extension granted pursuant to sections 14, 17 or 18, and is being continued to the satisfaction of the Minister, the reservation may be renewed for not more than four periods of three months each, upon payment



of a fee at the time of the granting of each renewal.

- (2) The fee for the first renewal under subsection (1) is ten cents an acre, the fee for the second renewal is fifteen cents an acre, the fee for the third renewal is twenty cents an acre and the fee for the fourth renewal is twenty-five cents an acre.
- 20. (1) Where a well drilling program is in progress and it is impossible to complete the program before the termination of the reservation, the Minister in his discretion may extend the reservation for not more than two further periods of three months each.
- (2) The fee for each period granted under subsection (1) is twenty-five cents an acre.
- 21. Where satisfactory evidence is furnished that an examination has been delayed through no fault of the holder by reason of weather, physical or other conditions, the reservation may be renewed for any period provided for in sections 13, 14 or 19 upon such terms and subject to such conditions as may be prescribed by the Minister.
- 22. Upon the termination of a reservation, the holder shall furnish to the Director
  - (a) a report including
    - (i) a map or maps showing the factual data obtained in the examination,
    - (ii) a complete copy of every electrolog and every other log or survey taken of each hole for which a well licence is not required by The Oil and Gas Conservation Act, and
    - (iii) such further information and data as the Minister may require, and



- (b) a statutory declaration setting forth the several items of expenditure incurred in the examination and the specific purpose for which each item was expended.
- 23. The holder of a reservation may surrender at any time, or from time to time, any portion of the lands comprised in the reservation, but no refund shall be made of any fee or deposit paid.
- 24. (1) Before the termination of a reservation, the holder, provided he has complied with these regulations, shall have the exclusive right to acquire by application a lease or leases of petroleum and natural gas rights in lands comprised in the reservation, exclusive of any Crown reserve required by these regulations.
- (2) At any time during the currency of a reservation the holder shall, provided he has complied with these regulations, be permitted to acquire by application a lease or leases of the petroleum and natural gas rights in an area or areas of the reservation, and, upon establishment of the required Crown reserve or reserves, the reservation comprising the remainder of the lands shall continue.
- 25. (1) Where a well drilled in lands comprised in a reservation has, in the opinion of the Minister, discovered oil in commercial quantity, the holder shall, within three months of the discovery, apply for a lease or leases of the petroleum and natural gas rights in lands containing the discovery well.
- (2) Until an application for a lease or leases has been made under subsection (1), the commencement of the drilling of another well within four and one-half miles of the discovery well is prohibited.
- 26. Where these regulations have been complied with, the filing by the



holder of a reservation of an application for a lease or leases of petroleum and natural gas rights in lands comprised in the reservation shall confer upon the applicant, pending the issuance of the lease or leases, all the rights and obligations that are conferred upon a holder of a petroleum and natural gas lease under The Mines and Minerals Act.

- 27. In unsurveyed territory the location of a lease may be described as though the lands were surveyed under The Alberta Surveys Act.
- 28. Any lease that may be granted shall be issued in such form as may be determined by the Minister under Part VI of The Mines and Minerals Act.
- 29. The lease shall bear the date of issue, but the term of the lease shall commence on the day the application was made.
- 30. Where the spacing unit of a well is only partially contained in a reservation, the royalty to be paid to the Crown shall be in the proportion that the acreage of the part of the spacing unit contained in the reservation bears to the whole acreage of the spacing unit.
- 31. Upon approval of evidence that the holder of a reservation has incurred expenditures in geological or geophysical exploration with respect to the reservation or in the drilling of a well or wells in lands comprised in the reservation, credit may be granted for an amount not exceeding fifty per cent of the expenditures and the credit so granted may be applied to the rental for one year of any lease or leases acquired in lands comprised in the reservation.
- 32. The reservation shall be in such form as may be determined by the Minister and may include a condition providing that the natural



gas produced shall be used or processed within the Province, and such other conditions, provisions, restrictions and stipulations as the Minister may prescribe.

- 33. The holder of the reservation shall at all times comply with the provisions of The Mines and Minerals Act, The Oil and Gas Conservation Act and The Gas Resources Preservation Act, 1956, and with the provisions of any regulations now made or that at any time hereafter may be made under any of the said Acts.
- 34. Lands in unsurveyed territory comprised in a reservation may be described as though they were surveyed under The Alberta Surveys Act and an unsurveyed section or quarter section shall be deemed to comprise 640 acres or 160 acres respectively.
- 35. In the event of failure to comply with any of the terms or conditions of the reservation, the Minister shall cause written notice to be mailed to the holder indicating that the reservation may be cancelled unless within thirty days after the date of the notice the holder remedies the default to the satisfaction of the Minister.
- 36. The Minister from time to time may make such orders as he may deem necessary for the effective administration of these regulations, and where any question arises pertaining to the interpretation or application of these regulations the Minister shall be the sole judge and there shall be no appeal from his decision.

# MANNER IN WHICH LEASES MAY BE TAKEN AND ESTABLISHMENT OF CROWN RESERVES

37. (1) An applicant may select for leases not more than fifty



per cent of the area in any township or unsurveyed township comprised in his reservation.

- (2) Notwithstanding subsection (1), where two or more reservations comprise adjacent areas in the same township or unsurveyed township, the holders of the reservations, by agreement and with the consent of the Minister, may select for leases not more than fifty per cent of the aggregate of such areas.
- (3) No concentration of leases shall comprise locations in a tract greater than the area in which a location may be taken under section 236 of The Mines and Minerals Act.
- (4) Locations or concentrations of leases applied for may form a checker-board pattern or shall be apart one from the other a distance of not less than one mile.
- 38. In the case of a fractional township of not more than two miles in width, the Minister in his discretion may consider the fractional township as forming part of an adjoining township.
- 39. A location comprising lands on both sides of or adjoining a meridian, in the discretion of the Minister, may include legal subdivisions and fractional legal subdivisions created by reason of the meridian.
- 40. (1) Where a concentration of leases comprises lands on both sides of a correction line, the course of the easterly boundary where it crosses the correction line shall project latitudinally to the nearest quarter section boundary, and the westerly boundary shall be as nearly as possible in alinement with it.
- (2) Where more than one concentration of leases is being selected, the adjustment for the correction line shall be made first on the most



easterly concentration of leases, and the boundaries of the remaining concentrations of leases crossing the correction line shall be as nearly as possible in alinement with those of the first concentration of leases; provided, however, that if a meridian passes through the area in which the concentrations of leases are located, then a new basic adjustment for the correction line shall be made on the first boundary west of the meridian.

- (3) An adjustment the same as that under subsection (2) shall apply in determining that locations or concentrations of leases on opposite sides of a correction line corner checker-wise or are apart a distance of not less than one mile.
- 41. No location shall be permitted nearer than one-half mile to the border of a reservation unless.
  - (a) Crown reserves of not less than one mile in width have been established in Crown lands adjoining such border, or
  - (b) the holders of adjoining reservations agree with the consent of the Minister
    - (i) to create a concentration of leases to comprise rights on both sides of the common boundary, or
    - (ii) to permit the holder of one reservation to apply for a location or a concentration of leases adjoining the common boundary providing the holder of the other adjoining reservation undertakes to leave in his reservation a Crown reserve of at least one mile in width adjoining the said location or concentration of leases.



### 12. Crown reserves shall comprise

- (a) subject to the provisions of section 41, an area of not less than one mile in width surrounding each location or concentration of leases,
- (b) the portions of a checker-board pattern not permitted under lease,

and such other areas as the Minister in his discretion may select.

- 43. When any question arises as to the Crown reserves to be established within a reservation, the Minister shall be the sole judge and there shall be no appeal from his decision.
- 44. (1) Regulations Governing the Reservation of Petroleum and Natural Gas Rights, the Property of the Crown, for Geological or Geophysical Examination, or for Drilling of Wells for Geological Information Established by Order in Council dated April 1st, 1949, and numbered 0.C. 392/49, and as amended, are repealed.
- (2) All subsisting petroleum and natural gas reservations granted under the regulations repealed in subsection (1) are subject to these regulations.





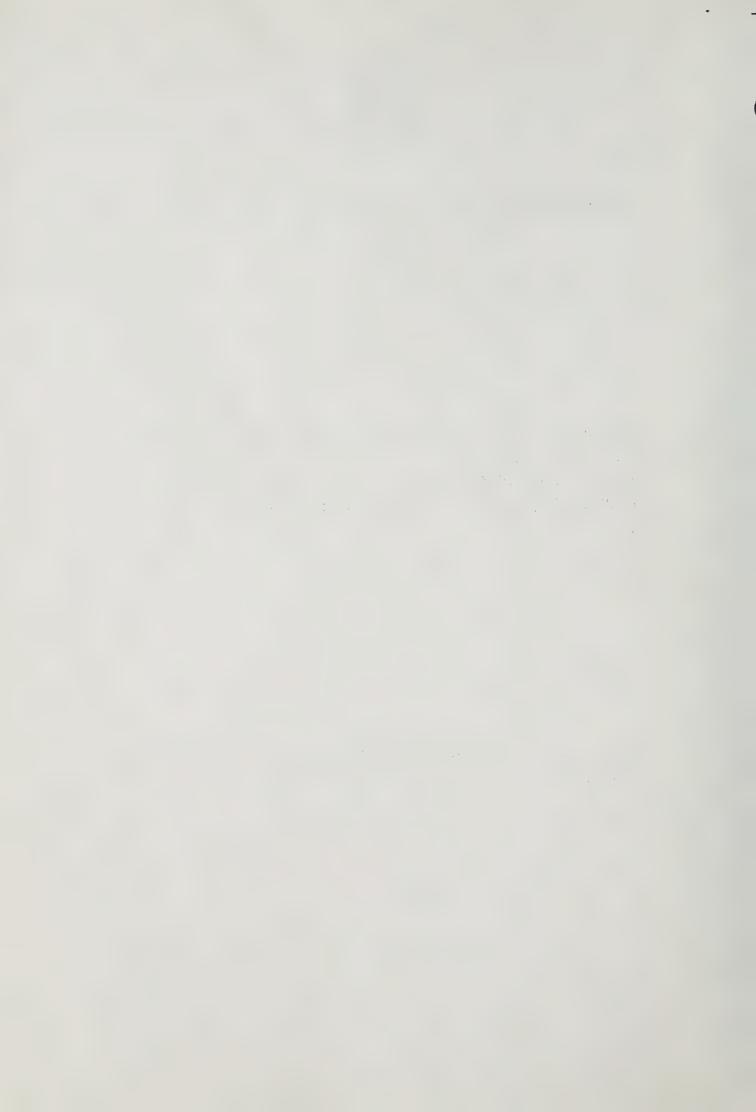
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### GOVERNMENT OF THE PROVINCE OF ALBERTA DEPARTMENT OF MINES AND MINERALS

CROWN RESERVE DRILLING RESERVATION NO.

Know all Men by These Tresents that in consideration of and subject to the provisoes, conditions and restrictions hereinafter contained, RESERVATION is hereby made of the Petroleum and Natural Gas Rights, the property of the Crown in the right of the Province of Alberta, to

heirs, executors, administrators and successors, in so far only as the Crown has the power to grant the same to drill wells in the following lands, namely:



Any well drilled in exercise of the rights hereby granted shall be drilled into the

The maximum area that may be acquired under lease upon compliance with the provisions of this reservation is

This reservation is subject in all respects to the Crown Reserve Drilling Reservation Regulations.

This reservation also is subject to the performance, observance and compliance with any orders or directions of any nature whatsoever made or given by the Eastern Rockies Forest Conservation Board relating to or affecting any of the lands herein described which are located in a Forest Reserve, without compensation to the holder of the reservation of any nature whatsoever.

in withe	ESS WHEREOF I	have he	reto set my hand and the seal of
the Department	at the City of E	dmonton,	in the Province of Alberta, as of
the	day	of	. 19
		Ĉ.	
	< C.	13	Director of Mineral Rights,
I (we)	<i>*</i>		144
hereby accept thi	s reservation an	d agree t	0
all the terms	and conditions t	hereof.	
	O. C.		
			(Witness)

## GOVERNMENT OF THE PROVINCE OF ALBERTA DEPARTMENT OF MINES AND MINERALS

#### ALBERTA REGULATION 54/57

### CROWN RESERVE DRILLING RESERVATION REGULATIONS

under

#### THE MINES AND MINERALS ACT

(O.C. 1296/57)

Regulations Governing the Granting of Drilling Reservations of Petroleum and Natural Gas Rights in Crown Reserves

(Filed August 21, 1957)

- 1. These regulations may be cited as the Crown Reserve Drilling Reservation Regulations.
  - 2. In these regulations,
  - (a) "Crown reserves" means the rights that are constituted Crown reserves by section 277 of The Mines and Minerals Act;
  - (b) "Department" means the Department of Mines and Minerals;
  - (c) "Director" means the Director of Mineral Rights of the Department;
  - (d) "Minister" means the Minister of Mines and Minerals.
- 3. The Minister may, in such manner as he may prescribe, direct the disposal of petroleum and natural gas rights in any Crown reserves in accordance with the provisions of these regulations.
- 4 (1) A person desiring the Minister to direct a disposal in a particular area may submit to the Director a request that the petroleum and natural gas rights in the Crown reserves be disposed of in that area.
  - (2) The Minister may
    - (a) direct the disposal of the petroleum and natural gas rights as requested,
    - (b) direct the disposal subject to any addition or deletion that he deems desirable, or
    - (c) refuse the request.
- 5. The fee for a reservation shall be \$250.00 and the rental for six months shall be at the rate of twenty-five cents an acre.
- 6. (1) The reservation shall date from the day the application is granted and the term of the reservation shall be six months.
- (2) The reservation may be renewed for a period of six months upon payment of twenty-five cents an acre.
- (3) Upon the holder of the reservation filing with the Department a satisfactory progress report and upon payment of twenty five cents an acre for each subsequent renewal, the reservation may be renewed for further consecutive periods of six months each, provided that the renewals do not extend the reservation beyond three years from the date of the reservation.
- 7. (1) Within one year of the date of the reservation, the holder shall commence the drilling of a well in lands comprised in the reservation and shall continue such drilling operations with reasonable diligence to the satisfaction of the Minister with a view to the finding of oil.

- (2) Within three months following the drilling of a well which in the opinion of the Minister has not determined the presence of oil in commercial quantity, the holder of the reservation shall commence the drilling of another well in lands comprised in the reservation and shall continue such drilling operations with reasonable diligence to the satisfaction of the Minister with a view to the finding of oil.
- (3) The reservation shall convey the right to drill a well or wells for petroleum and natural gas that are the property of the Crown in the lands comprised in the reservation and the right to produce the same.
- 8. Where satisfactory evidence is furnished that by reason of weather, physical or other conditions and through no fault of the holder of the reservation, drilling has been delayed, the Minister may consent in writing to the suspension of drilling operations for a period of not in excess of six months, upon such terms and subject to such conditions, including the imposition of a penalty, as may be prescribed at the time of the granting of the consent.
- 9. The holder of the reservation may surrender at any time, or from time to time, any portion of the lands comprised in the reservation but no refund shall be made of any moneys paid.
- 10. (1) The reservation may be terminated at any time at the option of the holder, and provided he has complied with the provisions of these regulations, he shall have the exclusive right before the expiration or termination of the reservation to apply for a lease or leases of the petroleum and natural gas rights in lands comprised in the reservation.
- (2) The maximum area that may be acquired under lease shall be the area indicated in the notice making the rights available for disposition.
- 11. (1) Where a well drilled in lands comprised in a reservation has, in the opinion of the Minister, discovered oil in commercial quantity, the holder of the reservation shall complete the well as a producer or deepen the well.
- (2) Within three months of the discovery or the termination of the deepening of the well, the holder shall apply for a lease or leases under section 10 and the commencement of another well shall not be permitted until application is made for the lease or leases.
- 12. When application is made for a lease or leases the reservation shall cease and determine.
- 13. (1) Notwithstanding the provisions of section 12, where the holder of a reservation,
  - (a) having drilled a well in lands comprised in the reservation that, in the opinion of the Minister, determined the presence of oil in commercial quantity,
  - (b) has applied for the lease or leases under section 10, and
  - (c) undertakes to commence the drilling of another well in lands comprised in the reservation by a date satisfactory to the Minister to test a zone other than the one in which the presence of oil was determined,

the Minister may permit the reservation to continue for such time as he may deem necessary for the drilling of the other well.

(2) Upon the completion of the drilling of the other well and the determination thereby of the presence of oil in commercial quantity in another zone, the Minister may permit the holder of the reservation to amend his application for a lease or leases provided the area covered by the application as amended does not exceed the area indicated in the notice making the rights available for disposition.

- 14. No lease or leases shall be issued unless a well has been drilled
- (a) into the zone specified in the reservation,
- (b) to a depth that, in the opinion of the Minister, indicates that the zone
  - (i) is not present, or
  - (ii) because of folding or faulting of the strata encountered durthe drilling of the well, is likely to occur at an excessive depth, or
- (c) determining, in the opinion of the Minister, the presence of oil in commercial quantity.
- 15. In unsurveyed territory the location of a lease may be described as though the lands were surveyed under The Alberta Surveys Act.
- 16. Any lease that may be granted shall be issued in such form as may be determined by the Minister under Part VI of The Mines and Minerals Act.
- 17. The lease shall bear the date of issue, but the term of the lease shall commence on the day the application was made.
- 18. Where the spacing unit of a well is only partially contained in a reservation, the royalty to be paid to the Crown shall be in the proportion that the acreage of the part of the spacing unit contained in the reservation bears to the whole acreage of the spacing unit.
- 19. Upon receipt of a statutory declaration of expenditures incurred in the drilling of the well or wells in the lands comprised in the reservation during the term and any renewal of the reservation, credit may be granted for an amount not exceeding, and to apply to, the rental for one year of any lease or leases acquired out of the reservation.
- 20. The reservation shall be in such form as may be determined by the Minister and may include a condition providing that the natural gas produced shall be used or processed within the Province, and such other conditions, provisions, restrictions and stipulations as the Minister may prescribe.
- 21. (1) The holder of the reservation is prohibited from transferring a portion of the location contained in the reservation.
- (2) Subject to subsection (1) the holder may transfer the reservation to the extent permitted under The Mines and Minerals Act.
- 22. The holder of the reservation shall at all times perform, observe and comply with the provisions of The Mines and Minerals Act, The Oil and Gas Conservation Act and The Gas Resources Preservation Act, 1956, and with the provisions of any regulations now made or that at any time hereafter may be made under any of the said Acts.
- 23. Lands in unsurveyed territory comprised in a reservation may be described as though they were surveyed under The Alberta Surveys Act and an unsurveyed section or quarter section shall be deemed to comprise 640 acres or 160 acres respectively.
- 24. In the event of failure to comply with any of the terms or conditions of the reservation, the Minister shall cause written notice to be mailed to the holder indicating that the reservation may be cancelled unless within thirty days after the date of the notice the holder remedies the default to the satisfaction of the Minister.
- 25. The Minister from time to time may make such orders as he may deem necessary for the effective administration of these regulations, and where any question arises pertaining to the interpretation or application of these regulations the Minister shall be the sole judge and there shall be no appeal from his decision.

- 26. (1) Regulations Governing the Granting of Drilling Reservations of Petroleum and Natural Gas Rights in Crown Reserves, established by Order in Council dated the Twenty-third day of April, 1954, and numbered O.C. 581/54 and amended by Orders in Council dated the Tenth day of November, 1954, and numbered O.C. 1532/54, the Seventh day of October, 1955, and numbered O.C. 1257/55, and the Twenty-fourth day of January, 1956 and numbered O.C. 82/56 are repealed.
- (2) All subsisting Crown reserve drilling reservations granted under the regulations repealed in subsection (1) are subject to these regulations.

(Extract from The Alberta Gazette of September 14, 1957)











File	No
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## GOVERNMENT OF THE PROVINCE OF ALBERTA DEPARTMENT OF MINES AND MINERALS

NATURAL GAS LICENCE NO.

Know all Men by These Presents that in consideration of and subject to the provisoes, conditions and restrictions hereinafter contained, LICENCE hereby is granted of the Natural Gas Rights, the property of the Crown in the right of the Province of Alberta, to

heirs, executors, administrators and successors, in so far only as the Crown has the power to grant the same to drill wells to determine the presence of natural gas in the

This licence is subject in all respects to the Natural Gas Licence Regulations.

This licence also is subject to the performance, observance and compliance with any orders or directions of any nature whatsoever made or given by the Eastern Rockies Forest Conservation Board relating to or affecting any of the lands herein described which are located in a Forest Reserve, without compensation to the licensee of any nature whatsoever.

in witness where	OF I have here	to set my hand and the seal of
the Department at the City of	of Edmonton, in	the Province of Alberta, as of
the	_day of	, 19
		**
	100	Director of Mineral Rights.
	1/2	
I (we)		
hereby accept this licence all the terms and condition	_	
		(Witness)

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#### GOVERNMENT OF THE PROVINCE OF ALBERTA

#### DEPARTMENT OF MINES AND MINERALS

#### ALBERTA REGULATION 55/57

# NATURAL GAS LICENCE REGULATIONS under THE MINES AND MINERALS ACT (O.C. 1297/57)

(Filed August 21, 1957)

Regulations Governing the Granting of Licences of Natural Gas rights that are the Property of the Crown

- 1. These regulations may be cited as the Natural Gas Licence regulations.
  - 2. In these regulations,
  - (a) "Department" means the Department of Mines and Minerals;
  - (b) "Director" means the Director of Mineral Rights of the Department;
  - (c) "Minister" means the Minister of Mines and Minerals;
  - (d) "natural gas" means the production from any well that, in the opinion of the Oil and Gas Conservation Board, initially produces gas either alone or with oil at a gas-oil ratio of 10,000 cubic feet to the barrel or higher, and does not include any production that may be obtained from any well that, in the opinion of the Board, initially produces gas with oil at a lower gas-oil ratio;
  - (e) "zone" means any stratum or strata that, from time to time, is designated or determined by the Oil and Gas Conservation Board as a zone, either generally or in respect to any designated or determined area or any specified well or wells.
- 3. (1) Upon drilling a well or wells determining the presence of natural gas, the holder of a reservation of petroleum and natural gas rights may apply for a licence of the natural gas rights in the zone or zones containing the natural gas found by drilling, in lands comprised in the reservation.
  - (2) The application shall be filed with the Director.
  - (3) The application shall be accompanied by
    - (a) a fee of \$250.00, and
    - (b) the rental for six months at five cents an acre.
- (4) The fee and rental shall be refunded if the application is not granted.
- 4. Before the granting of a licence the applicant must furnish a report regarding the natural gas found in the zone or zones and such further information and data as the Minister may require.
  - 5. If the application is granted
  - (a) the holder of the reservation shall surrender out of the reservation the natural gas rights to be included in the licence, and
  - (b) the licence of the natural gas rights in the zone or zones in which the presence of natural gas was determined may be granted subject to the provisions of these regulations.
- 6. (1) The licence shall date from the day the application is granted and the term of the licence shall be six months.
- (2) Upon the licensee filing with the Department a satisfactory progress report and upon payment of five cents an acre for each renewal, the licence may be renewed for further consecutive periods of six months each, provided that the renewals shall not extend the licence beyond three years from the date of the licence.

- 7. (1) Within three months of the date of the licence, the licensee shall commence the drilling of a well in lands comprised in the licence, and shall continue such drilling operations with reasonable diligence to the satisfaction of the Minister with a view to the finding of natural gas in the zone or zones specified in the licence.
- (2) The licensee within three months of the completion or abandonment of a well shall commence the drilling of another well in lands comprised in the licence and shall continue such drilling operations with reasonable diligence to the satisfaction of the Minister with a view to the finding of natural gas in the zone or zones specified in the licence.
- (3) The licence shall convey the right to drill wells for natural gas that is the property of the Crown into the zone or zones specified in the lands comprised in the licence and the right to produce the same.
- 8. Where satisfactory evidence is furnished that by reason of weather, physical or other conditions and through no fault of the licensee, drilling has been delayed, the Minister may consent in writing to the suspension of drilling operations for a period of not in excess of six months, upon such terms and subject to such conditions, including the imposition of a penalty, as may be prescribed at the time of the granting of the consent.
- 9. In the event of failure to comply with any of the terms or conditions of the licence, the Minister shall cause written notice to be mailed to the licensee indicating that the licence may be cancelled unless within thirty days after the date of the notice the licensee remedies the default to the satisfaction of the Minister.
- 10. Where by drilling in a licensed area, natural gas is found, that in the opinion of the Minister is in commercial quantity, in a zone not included in the licence the Minister may permit the natural gas rights in the zone to be included in the licence if the natural gas rights in the zone are surrendered out of the reservation or the leases granted out of the reservation.
- 11. The licensee may surrender at any time, or from time to time, any portion of the lands comprised in the licence, but no refund shall be made of any moneys paid.
- 12. (1) The licence may be terminated at any time at the option of the licensee, and provided he has complied with the provisions of these regulations, he shall have the exclusive right before the expiration or termination of the licence to apply for a lease or leases of the rights in the natural gas indicated by drilling in any zone or zones described in the licence.
- (2) The area that may be acquired under lease shall depend upon the wells drilled and completed as natural gas wells, determining the presence of natural gas that in the opinion of the Minister is in commercial quantity, and shall not exceed
  - (a) six sections for each well determining the presence of such natural gas at a depth not exceeding three thousand feet,
  - (b) eight sections for each well determining the presence of such natural gas at a depth exceeding three thousand feet but not exceeding six thousand feet, or
  - (c) ten sections for each well determining the presence of such natural gas at a depth exceeding six thousand feet.
- (3) Where by the drilling of a well, the presence of natural gas has been determined in commercial quantity in more than one zone described in the licence, the number of sections that may be acquired under lease by reason of the drilling and completing of the well shall be calculated on the basis of the deepest of the zones in which the well was completed.
- (4) Notwithstanding subsection (2), if, in the opinion of the Minister, the licensee

- (a) has determined the presence of natural gas in commercial quantity in a zone or zones specified in the licence, and
- (b) by the drilling of adequately spaced wells has delimited to the satisfaction of the Minister a field of natural gas within the licensed area, the licensee may acquire under lease the rights in the natural gas in the field so delimited within the zone or zones described in the licence.
- 13. (1) In unsurveyed territory the location of a lease may be described as though the lands were surveyed under The Alberta Surveys Act.
- (2) If for any reason the Minister considers it necessary or advisable to have a survey made of the location of a lease, he may direct that such a survey be made, and the provisions of section 247 of The Mines and Minerals Act apply *mutatis mutandis*.
- 14. The term of a natural gas lease granted out of a licensed area shall be twenty-one years renewable for further terms each of twenty-one years so long as the location is capable of producing natural gas in commercial quantity.
- 15. The lease shall bear the date of issue, but the term of the lease shall commence on the day the application was made.
- 16. The lease shall grant the right to produce natural gas from only the zone or zones specified therein.
- 17. (1) The annual rental of a lease shall be thirty-three and one-third cents an acre payable yearly in advance.
- (2) Notwithstanding subsection (1) when in the opinion of the Minister an adequate market or a market in which the lessee may participate is not available the Minister, in his sole discretion, may reduce the rental payable in any year to ten cents an acre.
- 18. The lease shall be subject to a royalty at such rate as may be prescribed from time to time by the Lieutenant Governor in Council.
- 19. (1) The lessee is prohibited from transferring a portion of the location contained in the lease unless the consent of the Minister is first obtained.
- (2) Subject to subsection (1) the lessee may transfer the lease to the extent permitted under The Mines and Minerals Act.
- 20. The lease shall be in such form as may be determined by the Minister and may include a condition providing that the natural gas produced shall be used or processed within the Province, and such other conditions, provisions, restrictions and stipulations as the Minister may prescribe.
- 21. Where the spacing unit of a well is only partially contained in a location, the royalty to be paid to the Crown shall be in the proportion that the acreage of the part of the spacing unit contained in the location bears to the whole acreage of the spacing unit.
- 22. Upon receipt of a statutory declaration of expenditures incurred in the drilling of the well or wells in the licensed area during the term and any renewal of the licence, credit may be granted for an amount not exceeding, and to apply to, the rental for one year of any lease or leases acquired out of the licence.
- 23. The licensee shall at all times perform, observe and comply with the provisions of The Mines and Minerals Act, The Oil and Gas Conservation Act and The Gas Resources Preservation Act, 1956, and with the provisions of any regulations now made or that at any time hereafter may be made under any of the said Acts.

- 24. (1) Where a well is drilled at a point in a Crown reserve constituted under The Mines and Minerals Act or regulations made thereunder and a discovery of oil is made in any licensed or leased zone the licensee or lessee shall be entitled to acquire a lease of the petroleum and natural gas rights that are the property of the Crown in the quarter section in which the discovery was made, upon surrender out of the licence or lease such Crown reserve areas as the Minister shall decide in the vicinity of the discovery equal to three times the area to be acquired under petroleum and natural gas lease.
- (2) Notwithstanding subsection (1) the lease of petroleum and natural gas rights to which the licensee or lessee is entitled shall exclude any right held by any other person.
- 25. The licence shall be in such form as may be determined by the Minister and may include a condition providing that the natural gas produced shall be used or processed within the Province, and such other conditions, provisions, restrictions and stipulations as the Minister may prescribe.
- 26. (1) The licensee is prohibited from transferring a portion of the location contained in the licence.
- (2) Subject to subsection (1) the licensee may transfer the licence to the extent permitted under The Mines and Minerals Act.
- 27. (1) Upon surrender of a licence or of all subsisting leases granted out of a licence, the holder of a reservation of petroleum and natural gas rights may be entitled, in the discretion of the Minister, to have the natural gas rights contained in the licence or leases that fall within the lands comprised in the reservation included in the reservation.
- (2) Upon surrender of a licence or of all subsisting leases granted out of a licence, the lessee of a lease or leases granted out of a reservation may be entitled, in the discretion of the Minister, to include in the lease or leases that portion of the natural gas rights comprised in the lands held under lease or leases granted out of the reservation.
- 28. Lands in unsurveyed territory comprised in a licence may be described as though they were surveyed under The Alberta Surveys Act and an unsurveyed section or quarter section shall be deemed to comprise 640 acres or 160 acres respectively.
- 29. The Minister from time to time may make such orders as he may deem necessary for the effective administration of these regulations, and where any question arises pertaining to the interpretation or application of these regulations the Minister shall be the sole judge and there shall be no appeal from his decision.
- 30. (1) Regulations Governing the Licensing of Natural Gas Rights the Property of the Crown for Drilling of Wells, established by Order in Council dated the Twenty-ninth day of January, 1951, and numbered O.C. 122/51 and amended by Orders in Council dated the First day of December, 1952, and numbered O.C. 1706/52, the Twenty-fourth day of December, 1952, and numbered O.C. 1882/52, and the Seventh day of October, 1955 and numbered O.C. 1255/55 are repealed.
- (2) All subsisting natural gas licences granted under the regulations repealed in subsection (1) are subject to these regulations.

(Extract from The Alberta Gazette of September 14, 1957)











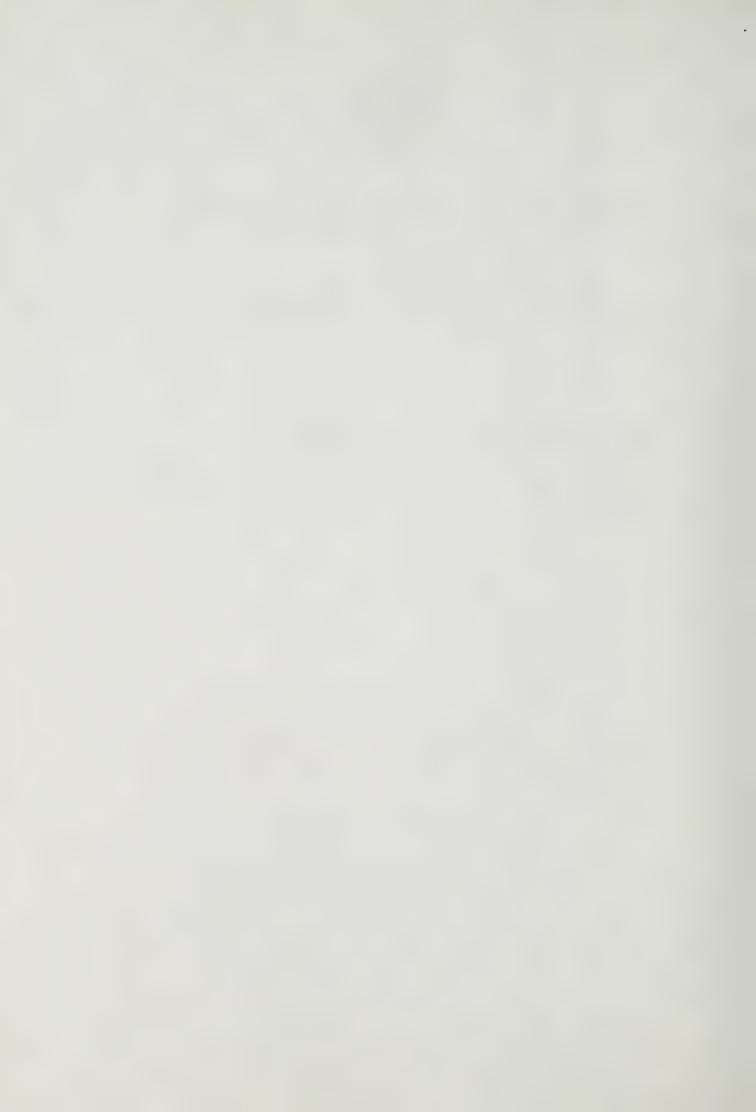
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# GOVERNMENT OF THE PROVINCE OF ALBERTA DEPARTMENT OF MINES AND MINERALS

CROWN RESERVE NATURAL GAS LICENCE NO.

Know all Alen by These Presents that in consideration of and subject to the provisoes, conditions and restrictions hereinafter contained, LICENCE hereby is granted of the Natural Gas Rights, the property of the Crown in the right of the Province of Alberta, to

heirs, executors, administrators and successors, in so far only as the Crown has the power to grant the same to drill wells to determine the presence of natural gas in the



This licence is subject in all respects to the Crown Reserve Natural Gas Licence Regulations.

This licence also is subject to the performance, observance and compliance with any orders or directions of any nature whatsoever made or given by the Eastern Rockies Forest Conservation Board relating to or affecting any of the lands herein described which are located in a Forest Reserve, without compensation to the licensee of any nature whatsoever.

	IN WITNESS WHEREOF I have hereto	set my hand and the seal of
the	Department at the City of Edmonton, in	the Province of Alberta, as of
the.	day of	, 19
	0 V	
		Director of Mineral Rights.
I (w	e)	
here	eby accept this licence and agree to	
а	II the terms and conditions thereof.	
		(Witness)



# GOVERNMENT OF THE PROVINCE OF ALBERTA DEPARTMENT OF MINES AND MINERALS

#### ALBERTA REGULATION 77/57

CROWN RESERVE NATURAL GAS LICENCE REGULATIONS REGULATIONS GOVERNING THE GRANTING OF LICENCES OF NATURAL GAS RIGHTS IN CROWN RESERVES, MADE UNDER THE MINES AND MINERALS ACT

(O.C. 1373/57)

(Filed September 3, 1957)

- 1. These regulations may be cited as the Crown Reserve Natural Gas Licence Regulations.
  - 2. In these regulations,
  - (a) "Crown reserves" means the rights that are constituted Crown reserves by section 277 of The Mines and Minerals Act;
  - (b) "Department" means the Department of Mines and Minerals;
  - (c) "Director" means the Director of Mineral Rights of the Department;
  - (d) "Minister" means the Minister of Mines and Minerals;
  - (e) "natural gas" means the production from any well that in the opinion of the Oil and Gas Conservation Board, initially produces gas either alone or with oil at a gas-oil ratio of 10,000 cubic feet to the barrel or higher, and does not include any production that may be obtained from any well that, in the opinion of the Board, initially produces gas with oil at a lower gas-oil ratio;
  - (f) "zone" means any stratum or strata that, from time to time, may be designated or determined by the Oil and Gas Conservation Board as a zone, either generally or in respect to any designated or determined area or any specified well or wells.
- 3. The Minister may, in such manner as he may prescribe, direct the disposal of natural gas rights in any Crown reserves in accordance with the provisions of these regulations.
- 4. (1) A person desiring the Minister to direct a disposal in a particular area may submit to the Director a request that the natural gas rights in the Crown reserves be disposed of in that area.
  - (2) The Minister may
  - (a) direct the disposal of the natural gas rights as requested,
  - (b) direct the disposal subject to any addition or deletion that he deems desirable, or
  - (c) refuse the request.
- 5. The fee for a licence shall be \$250.00 and the rental for six months shall be at the rate of five cents an acre.
- 6. (1) The licence shall date from the day the application is granted and the term of the licence shall be six months.
- (2) Upon the licensee filing with the Department a satisfactory progress report and upon payment of five cents an acre for each renewal, the licence may be renewed for further consecutive periods of six months each, provided that the renewals shall not extend the licence beyond three years from the date of the licence.

- 7. (1) Within three months of the date of the licence, the licensee shall commence the drilling of a well in lands comprised in the licence, and shall continue such drilling operations with reasonable diligence to the satisfaction of the Minister with a view to the finding of natural gas.
- (2) The licensee within three months of the completion or abandonment of a well shall commence the drilling of another well in lands comprised in the licence and shall continue such drilling operations with reasonable diligence to the satisfaction of the Minister with a view to the finding of natural gas.
- (3) The licence shall convey the right to drill wells for natural gas that is the property of the Crown in the lands comprised in the licence and the right to produce the same.
- 8. Where satisfactory evidence is furnished that by reason of weather, physical or other conditions and through no fault of the licensee, drilling has been delayed, the Minister may consent in writing to the suspension of drilling operations for a period of not in excess of six months, upon such terms and subject to such conditions, including the imposition of a penalty, as may be prescribed at the time of the granting of the consent.
- 9. In the event of failure to comply with any of the terms or conditions of the licence, the Minister shall cause written notice to be mailed to the licensee indicating that the licence may be cancelled unless within thirty days after the date of the notice the licensee remedies the default to the satisfaction of the Minister.
- 10. The licensee may surrender at any time, or from time to time, any portion of the lands comprised in the licence, but no refund shall be made of any moneys paid.
- 11. (1) The licence may be terminated at any time at the option of the licensee, and provided he has complied with the provisions of these regulations, he shall have the exclusive right before the expiration or termination of the licence to apply for a lease or leases of the rights in the natural gas indicated by drilling in any zone or zones.
- (2) The area that may be acquired under lease shall depend on the wells drilled and completed as natural gas wells, determining the presence of natural gas that in the opinion of the Minister is in commercial quantity, and shall not exceed
  - (a) six sections for each well determining the presence of such natural gas at a depth not exceeding three thousand feet,
  - (b) eight sections for each well determining the presence of such natural gas at a depth exceeding three thousand feet but not exceeding six thousand feet, or
  - (c) ten sections for each well determining the presence of such natural gas at a depth exceeding six thousand feet.
- (3) Where by the drilling of a well, the presence of natural gas has been determined in commercial quantity in more than one zone, the number of sections that may be acquired under lease by reason of the drilling and completing of the well shall be calculated on the basis of the deepest of the zones in which the well was completed.

- 12. (1) In unsurveyed territory the location of a lease may be described as though the lands were surveyed under The Alberta Surveys Act.
- (2) If for any reason the Minister considers it necessary or advisable to have a survey made of the location of a lease, he may direct that such a survey be made, and the provisions of section 247 of The Mines and Minerals Act apply mutatis mutandis.
- 13. The term of a natural gas lease granted out of a licensed area shall be twenty-one years renewable for further terms each of twenty-one years so long as the location is capable of producing natural gas in commercial quantity.
- 14. The lease shall bear the date of issue, but the term of the lease shall commence on the day the application was made.
- 15. The lease shall grant the right to produce natural gas from only the zone or zones specified therein.
- 16. (1) The annual rental of a lease shall be thirty-three and one-third cents an acre payable yearly in advance.
- (2) Notwithstanding subsection (1) when in the opinion of the Minister an adequate market or a market in which the lessee may participate is not available the Minister, in his sole discretion, may reduce the rental payable in any year to ten cents an acre.
- 17. The lease shall be subject to a royalty at such rate as may be prescribed from time to time by the Lieutenant Governor in Council.
- 18. (1) The lessee is prohibited from transferring a portion of the location contained in the lease unless the consent of the Minister is first obtained.
- (2) Subject to subsection (1) the lessee may transfer the lease to the extent permitted under The Mines and Minerals Act.
- 19. The lease shall be in such form as may be determined by the Minister and may include a condition providing that the natural gas produced shall be used or processed within the Province, and such other conditions, provisions, restrictions and stipulations as the Minister may prescribe.
- 20. Where the spacing unit of a well is only partially contained in a location, the royalty to be paid to the Crown shall be in the proportion that the acreage of the part of the spacing unit contained in the location bears to the whole acreage of the spacing unit.
- 21. Upon the receipt of a statutory declaration of expenditures incurred in the drilling of the well or wells in the licensed lands during the term and any renewal of the licence, credit may be granted for an amount not exceeding, and to apply to, the rental for one year of any lease or leases acquired out of the licence.
- 22. The licensee shall at all times perform, observe and comply with the provisions of The Mines and Minerals Act, The Oil and Gas Conservation Act and The Gas Resources Preservation Act, 1956, and with the provisions of any regulation now made or that at any time

hereafter may be made under any of the said Acts.

- 23. (1) Where a well is drilled and a discovery of oil is made in any licence or in any leased zone the licensee or lessee shall be entitled to acquire a lease of the petroleum and natural gas rights that are the property of the Crown in the quarter section in which the discovery was made, upon surrender out of the licence or lease such areas as the Minister shall decide in the vicinity of the discovery equal to three times the area to be acquired under petroleum and natural gas lease.
- (2) Notwithstanding subsection (1) the lease of petroleum and natural gas rights to which the licensee or lessee is entitled shall exclude any right held by any other person.
- 24. The licence shall be in such form as may be determined by the Minister and may include a condition providing that the natural gas produced shall be used or processed within the Province, and such other conditions, provisions, restrictions and stipulations as the Minister may prescribe.
- \*25. (1) The licensee is prohibited from transferring a portion of the location contained in the licence.
- (2) Subject to subsection (1) the licensee may transfer the licence to the extent permitted under The Mines and Minerals Act.
- 26. Lands in unsurveyed territory comprised in a licence may be described as though they were surveyed under The Alberta Surveys Act and an unsurveyed section or quarter section shall be deemed to comprise 640 acres or 160 acres respectively.
- 27. The Minister from time to time may make such orders as he may deem necessary for the effective administration of these regulations, and where any question arises pertaining to the interpretation or application of these regulations the Minister shall be the sole judge and there shall be no appeal from his decision.
- 28. (1) Regulations Governing the Granting of Licenses of Natural Gas Rights in Crown Reserves, established by order in council dated the 1st day of December, 1952, and numbered O.C. 1705/52 and amended by order in council dated the 7th day of October, 1955, and numbered O.C. 1256/55 are repealed.
- (2) All subsisting Crown reserve natural gas licences granted under the regulations repealed in subsection (1) are subject to these regulations.

(Extract from The Alberta Gazette of September 30, 1957)











### GOVERNMENT OF THE PROVINCE OF ALBERTA DEPARTMENT OF MINES AND MINERALS

Natural Gas Lease No.

File No.

# This Indenture, made in duplicate this

day of

in the year of Our

Lord one thousand nine hundred and

### Between:

HER MAJESTY THE QUEEN, in the right of the Province of Alberta, hereinafter called "Her Majesty", represented herein by the Minister of Mines and Minerals of the said Province of Alberta, Rereinafter called the "Minister",

THE FIRST PART;

AND

hereinafter called the "Lessee"

OF THE SECOND PART:

WHEREAS under and by virtue of The Mines and Minerals Act, being Chapter 66 of the Statutes of Alberta, 1949, and regulations or orders made pursuant thereto, the Minister is empowered to dispose of natural gas rights in the Province of Alberta in accordance with the provisions of the said Act and regulations or orders applicable to such dispositions; and

Whereas the lessee having applied for a lease of natural gas rights in the lands hereinafter described, the Minister has granted such application under the said provisions of The Mines and Minerals Act and regulations or orders upon the terms and conditions herein contained.

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the rents and royalties hereinafter reserved and subject to the conditions, covenants, provisoes, restrictions and stipulations hereinafter expressed and contained, Her Majesty doth grant unto the lessee in so far as

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the Crown has the right to grant the same the exclusive right and privilege to drill for natural gas that may be obtained from the

within and under the lands more particularly described as follows, namely:

Together with the right to produce, take, recover, get and dispose of all such natural gas, subject to the terms and conditions hereinafter mentioned, and for that purpose to drill wells, lay pipe lines, and build such tanks, stations and structures as may be necessary; and in the lawful exercise of the rights aforesaid and pursuant to the provisions of The Right of Entry Arbitration Act, 1952, or of any Act or Acts passed in substitution therefor, prescribing the conditions under which the right of entry may be obtained upon land, to enter upon, use and occupy so much of the surface of the said lands as may be necessary.

SAVING AND EXCEPTING NEVERTHELESS that this lease shall include only the natural gas, the property of the Crown, in the lands herein described, which may be obtained by the usual process of drilling, and shall not include the rights to the natural gas which may be obtained from bituminous sands, oil shales and tar sands by the process of extraction customary in such cases.

TO HOLD AND ENJOY the same unto the lessee for the term of

twenty-one years, to be computed from the

day of

, renewable for further terms each of twenty-one years so long as the location is capable of producing natural gas in commercial quantity, provided the lessee furnishes evidence satisfactory to the Minister to show that during the term of the lease he has complied fully with the conditions of such lease and with the provisions of The Mines and Minerals Act in force from time to time during the currency of the lease. The lease and any such renewals thereof shall be subject to all the provisions of The Mines and Minerals Act and the regulations in force from time to time during their currency and each renewal shall be in accordance with the provisions of the said Act and the regulations in force at the time of the granting of such renewal.

YIELDING AND PAYING therefor during each and every year of the said term unto Her Majesty the clear and yearly rent or sum of thirty-three and one-third cents of lawful money of Canada for each and every acre of land comprised within the lands herein described, such rent being payable

yearly in advance on the

day of

in each year of the said term; and also rendering and paying therefor unto Her Majesty a royalty on all natural gas taken from the said lands, at such rate as is now or may hereafter from time to time be prescribed by the Lieutenant Governor in Council, such royalty to be free and clear of and from all costs of recovering, separating or freeing the natural gas whether by separation, absorption, polymerization, or by any other work, labour, process, or chemical reaction; such rent and royalty to be free and clear of and from all rates, taxes and assessments and from all manner of deduction whatsoever.

AND THE LESSEE DOTH HEREBY COVENANT AND AGREE with Her Majesty as follows, namely:

- 1. That the lessee at all times shall perform, observe and comply with all the provisions of The Mines and Minerals Act, and any regulations which at any time may be made under the authority of the said Act or any Act or Acts passed in substitution therefor, and all such provisions and regulations which prescribe, relate to or affect the rights, obligations, privileges and restrictions of and upon lessees of natural gas rights, the property of the Crown, shall be deemed to be incorporated into these presents and shall bind the lessee in the same manner and to the same extent as if the same were set out herein as covenants on the part of the lessee; provided that each and every provision or regulation hereafter made shall be deemed to be incorporated into these presents and shall bind the lessee as and from the date it is made, and in the event of conflict between any regulation hereafter made and any regulation previously made the regulation last made shall prevail.
- That the lessee shall not enter upon the lands herein described for the purpose of prospecting or drilling for natural gas when the right to the use of the surface is vested in some person other than the lessee until the lessee shall have complied fully with the provisions of The Right of Entry Arbitration Act, 1952, or any Act or Acts passed in substitution therefor.
- 3. That the lessee at all times shall perform, observe and comply with all the provisions of The Oil and Gas Resources Conservation Act, 1950, and The Gas Resources Preservation Act, and any Act or Acts passed in substitution for them or either of them, and any order of The Petroleum and

Natural Gas Conservation Board made pursuant to any of such Acts, and any regulations which at any time may be made under the authority of any of such Acts, and all such provisions, orders and regulations shall be deemed to be incorporated into these presents and shall bind the lessee in the same manner and to the same extent as if the same were set out herein as covenants on the part of the lessee; provided that each and every provision, order or regulation hereafter made shall be deemed to be incorporated into these presents and shall bind the lessee as and from the date it is made, and in the event of conflict between any order or regulation hereafter made and any order or regulation previously made the order or regulation last made shall prevail.

- 4. That the lessee shall commence the drilling of a well for the purpose of obtaining natural gas from the lands herein described within six months of being notified by the Minister to do so and shall continue such drilling with reasonable diligence to the satisfaction of the Minister and the lessee shall conduct such further or other drilling as may be required by order of the Lieutenant Governor in Council.
- 5. That the lessee within six months of the completion or abandonment of a well shall commence the drilling of another well for the purpose of obtaining natural gas from the lands herein described and shall continue such drilling with reasonable diligence to the satisfaction of the Minister.
- 6. That while all of the lands herein described are comprised in spacing units allocated to wells for natural gas production purposes by The Petroleum and Natural Gas Conservation Board and all of such wells are satisfactory in the opinion of the said Board for natural gas production purposes, sections 4 and 5 immediately preceding shall not apply.
- 7. That the lessee shall keep correct books of such kind and in such form as may be prescribed by the Minister showing the quantity of natural gas taken out of the lands herein described, and whenever required to do so shall submit such books to the inspection of any officer or person appointed or authorized by the Minister to examine the same for the purpose of verifying the returns made by the lessee.
- 8. That the lessee shall well and truly pay or cause to be paid to the Minister at Edmonton, the rent and royalty hereby reserved, and the lessee or his lawful attorney shall make all returns at the times and in the manner herein or by the Minister prescribed.
- 9. That the lessee covenants, and it is an express condition upon which this lease is granted, that natural gas taken from the lands herein described shall be used within the Province of Alberta, unless the consent of the Lieutenant Governor in Council to its use elsewhere has been previously obtained. Upon any breach of this covenant and condition occurring, whether with or without the consent or knowledge of the lessee, this lease shall forthwith be terminated, shall become null and void, and shall cease to have any further force or effect, and the rights granted by the lease, freed and discharged from any interest or claim of the lessee or any other person or persons whatsoever claiming by, through or under the lessee, thereupon shall revert to Her Majesty.
- 10. That, if for any reason the Minister considers it necessary or advisable to have a survey made of the lands herein described, he may direct that such a survey be made, and the provisions of section 243 of The Mines and Minerals Act shall apply mutatis mutandis.
- 11. That the lessee during the said term shall make such provision for the disposal of the earth, rock, waste or refuse from his workings on the lands herein described that the same shall not be an inconvenience, nuisance or obstruction to any railway right of way, roadway, pass, passage, river, creek,

or place, or to any private, public or Crown lands, or conflict with or embarras the operating of any mine on the lands herein described or on adjoining lands, or in any manner whatsoever occasion any private or public damage, nuisance or inconvenience.

- 12. That the lessee, during the term of this lease as often as he may be required to do so, shall deliver to the Minister or to any person appointed by him a statement in writing verified by the affidavit or statutory declaration of the lessee or his lawful attorney, setting out such information as the Minister from time to time may direct with reference to any operation or proceeding of the lessee in respect of any well, borehole or work constructed or operated under the authority of these presents.
- 13. That the lessee shall permit any inspector or other person duly authorized by the Minister in that behalf, with all proper or necessary assistants, at all reasonable times during the said term, quietly to enter into and upon any part or parts of the lands herein described occupied by the lessee and any buildings, structures and erections thereon and into any part thereof, and to survey and examine the state and condition thereof, provided nevertheless that in doing so no unnecessary interference is caused with the carrying on of the drilling or other work of the lessee; and the lessee by all means in his power shall aid and facilitate such inspector or other person in making such entry, survey and examination.
- 14. That any plant, buildings, erections and fixtures whatsoever which have been affixed to the soil and are so affixed at the termination of this lease shall be deemed to be fixed to the soil and, together with all tools and machinery on the lands herein described, shall be the property of Her Majesty. Provided that in case the lessee has fully complied with all the terms and conditions of the lease he, at any time within sixty days after the day upon which the lease is terminated, may remove any such machinery, tools, plant, buildings, erections and fixtures whatsoever other than the casing and other equipment placed in, on, or about any well, and that in default of such removal within the time aforesaid the right, title and interest of the lessee in all such machinery, tools, plant, buildings, erections and fixtures whatsoever shall upon the determination of this lease, cease and determine.
- 15. That the lessee shall assume all liability for all damages of any nature whatsoever caused by the lessee, his servants, workmen, agents and licensees or in any way due to any drilling, work, construction, reconstruction, operation and patrolling carried on upon, in or under the lands herein described whether the same has been negligently drilled, worked, constructed, reconstructed, operated, patrolled or not.
- 16. That the lessee shall keep Her Majesty indemnified against all claims and demands that may be made against Her Majesty by reason of anything done by the lessee, his servants, workmen, agents and licensees, in the exercise or purported exercise of the rights, powers, privileges and liberties hereby granted.
- 17. That the lessee shall pay and discharge all rates, assessments and taxes now charged or hereafter to be charged upon the said demised premises.
- 18. That the lessee shall not assign, transfer, sublet or part with the possession of the rights described in this lease, or any part thereof, without the consent in writing of the Minister being first had and obtained.

19. That the lessee at all times shall perform, observe and comply with all orders or directions of any nature whatsoever made or given by the Eastern Rockies Forest Conservation Board relating to or affecting any of the lands herein described which are located in a Forest Reserve, without compensation to the lessee of any nature whatsoever.

AND IT IS HEREBY AGREED by and between Her Majesty and the lessee as follows:

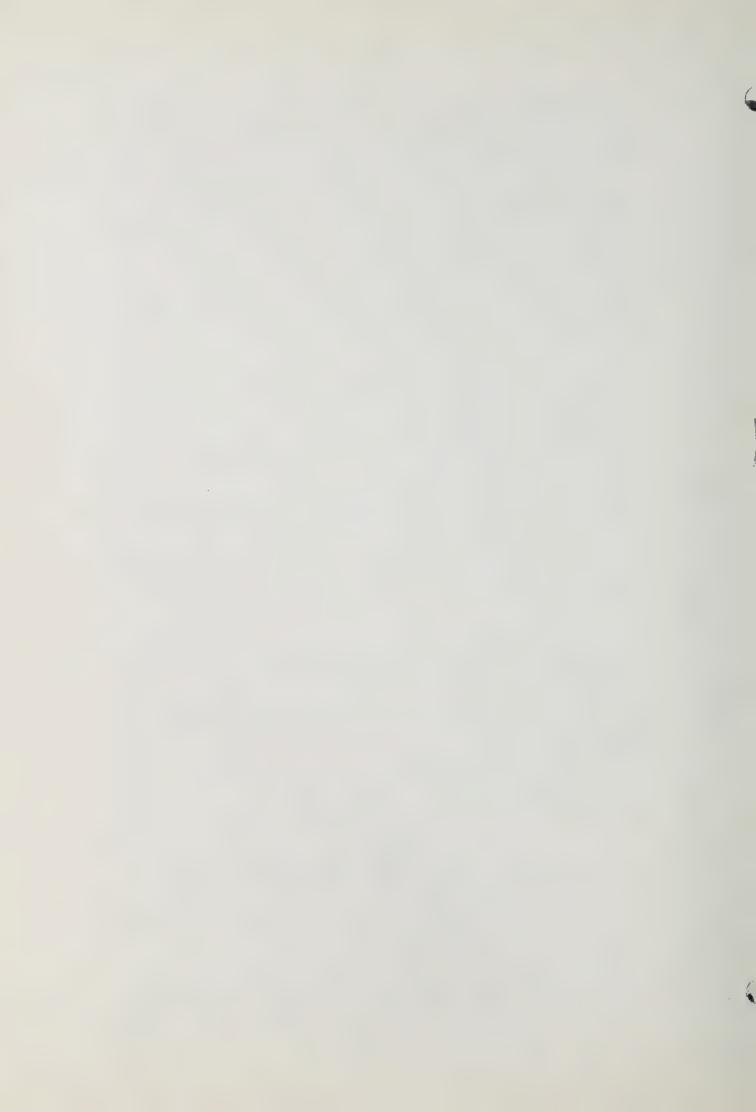
- 1. That where the spacing unit allocated to a well by The Petroleum and Natural Gas Conservation Board for natural gas production purposes is only partially contained in the leasehold, the amount to be paid on the royalty from time to time fixed by the Lieutenant Governor in Council shall be that proportion of the royalty so fixed that the area hereby demised and contained in the spacing unit bears to the total area comprised in the spacing unit, and shall be payable on all production obtained from the spacing unit as though the well had been located upon the lands described in the lease.
- 2. That, if during the term of the lease the Minister is of the opinion that an adequate market or a market in which the lessee may participate is not available, the rent payable in each year so long only as the Minister is of that opinion shall be reduced from thirty-three and one-third cents to ten cents for each and every acre of land comprised within the lands herein described.
- 3. That the lessee, with the consent of the Minister may relinquish at any time any portion of the lands herein described.
- 4. That if and whenever the rent or royalty hereby reserved, or any part thereof, is in arrears and unpaid for a period of more than thirty days, or if default is made by the lessee in the performance or observance of any of the covenants on the part of the lessee herein contained for a period of thirty days from and after the date of the sending by mail of a notice by or on behalf of the Minister to the lessee of such default, then and in every such case and as often as the same may happen, and notwithstanding any previous waiver, the Minister by writing may declare this lease to be terminated, and thereupon this lease shall become and be terminated, and be null and void for all purposes other than and except as to any liability of the lessee under the same incurred before and subsisting at the day when the lease is declared to be terminated as aforesaid.
- 5. That any notice affecting the tenancy hereunder which Her Majesty or the Minister may desire to serve upon the lessee shall be served sufficiently upon the lessee if left addressed to him on the demised premises, or if posted to him addressed to his last known address, or if left at the said address. A notice sent by post shall be deemed to be given at the time of mailing the notice.
- 6. That any notice, demand, notice of cancellation or default, or other communication, which Her Majesty or the Minister may require or desire to give or serve upon the lessee may be legally given or served by the Minister, Director of Mineral Rights, or any other officer of the Department duly authorized in writing by the Minister.
- 7. That no waiver on behalf of Her Majesty of any breach of any of the conditions, covenants, provisoes, restrictions and stipulations herein contained, whether negative or positive in form, shall take effect or be binding upon Her, unless the same be expressed in writing under the authority of the Minister, and any waiver so expressed shall not limit or affect Her Majesty's rights with respect to any other or future breach.

- 8. That no implied covenant or liability of any kind on Her Majesty's part is created by the use of the words "demise" or "lease" herein or by the use of any other word or words herein, or shall otherwise arise by reason of these presents or anything herein contained.
- 9. That if the term hereby granted or the lessee's goods and chattels on the demised premises which are liable to distress shall at any time be seized or taken in execution or in attachment by any creditor of the lessee, or if the lessee shall make any assignment for the benefit of creditors, or becoming bankrupt or insolvent, shall take the benefit of any Act that may be in force for bankrupt or insolvent debtors, the term immediately shall become forfeited and void.
- 10. That this lease shall be so construed as to inure to the benefit of the lessee and such of his heirs, executors, administrators and assigns as are entitled or permitted to benefit thereunder pursuant to The Mines and Minerals Act, and to no other persons.
- 11. That whenever the singular or masculine or neuter is used in this lease, the same shall be construed as meaning the plural or feminine or a body politic or corporate where the context or the parties hereto so require; and the expression "lessee" herein includes the heirs, executors, administrators, successors and assigns of the lessee; the expression "Her Majesty" includes the successors and assigns of Her Majesty; the expression "Minister" means the Minister for the time being of Mines and Minerals and includes the Deputy Minister of Mines and Minerals; the expression "Department" means the Department of Mines and Minerals; the expression "natural gas" means the production from any well, which in the opinion of The Petroleum and Natural Gas Conservation Board initially produces gas either alone or with oil at a gas-oil ratio of 10,000 cubic feet to the barrel or higher, but does not include any production that may be obtained from any well which in the opinion of the Board initially produces gas with oil at a lower gas oil ratio; and the expression "

means the strata designated or determined by The Petroleum and Natural Gas Conservation Board by Zone Designation No.

IN WITNESS WHEREOF the Deputy of the Minister of Mines and Minerals and the lessee have hereunto set their hands and seals the day and year first above written.

SIGNED, SEALED AND DELIVERED in the presence of  Deputy Minister of Mines and Minerals.  And by the lessee in the presence of
Witness as to Lessee.









#### GOVERNMENT OF THE PROVINCE OF ALBERTA

# Regulations Governing Geophysical Exploration and Exploratory Operations for Minerals

Established by Order In Council

Dated January 28th, 1952, and Numbered O.C. 122/52

#### PART I

## Operations on Public Lands, Statutory Road Allowances, Public Highways or Roadways, and Other Lands.

- 1. In this Part, unless the context otherwise requires,—
  - (a) "Director of Forestry" means the Director of Forestry, Department of Lands and Forests:
  - (b) "Director of Mineral Rights" means the Director of Mineral Rights, Department of Mines and Minerals;
  - (c) "Director of Surveys" means the Director of Surveys, the Highways Department;
  - (d) "Director of Technical Division" means Director of Technical Division, Department of Lands and Forests;
  - (e) "District Maintenance Engineer" means the officer for the district of the Highways Department bearing that designation;
  - (f) "geophysical exploration" means any method whereby the art of applying a physical science is employed in the determination of geologic or other conditions which may be favourable for the accumulation or location of minerals, and includes,—
    - (i) seismic;
    - (ii) gravimetric;
    - (iii) magnetic;
    - (iv) electrical;
    - (v) geochemical;
    - (vi) test drilling;
    - (vii) any other method which may be used for the purpose of investigating the subsurface;
  - (g) "inspector" means every governmental officer and such other persons as may be appointed by the Minister of Lands and Forests, all members of the Royal Canadian Mounted Police, and the Reeve, Secretary and Councillors of each Municipal District;
  - (h) "license" means a license or permit issued pursuant to Part VII of The Mines and Minerals Act;
  - (i) "main highway" shall have the meaning given to it in The Public Highways Act;

- (j) "Minister" means Minister of Lands and Forests where reference is made to public lands; or Minister of Highways where reference is made to statutory road allowances, public highways or roadways; and Minister of Mines and Minerals where reference is made to exploratory operations for minerals;
- (k) "monument" shall have the meaning given to it in The Alberta Surveys Act;
- (I) "operator" means the holder of a license;
- (m) "public lands" include all lands belonging to the Crown, lands vested in the Minister of Municipal Affairs, statutory road allowances, public highways and roadways;
- (n) "Resident Highway Engineer" means the officer of the Highways Department bearing that designation;
- (o) "trees" in addition to the ordinary meaning includes bushes, shrubs, and young growth of forest cover.
- 2. This Part applies to every operator, and to public lands and where the context so permits or requires to all lands in the Province.
- 3. (1) Prior to the commencement of any clearing, ditching or grading work, the operator shall,—
  - (a) ascertain from the Technical Division of the Department of Lands and Forests the location of survey monuments in the vicinity of the proposed work;
  - (b) mark conspicuously the location of each monument by a flag attached to the top of a pole at least five feet from the ground; and
  - (c) take such other precautions as may be necessary to insure that no monument is defaced, altered, disturbed or damaged during the course of work.
- (2) If a monument is destroyed, moved or damaged by an operator, he shall make a full report immediately to the Director of Technical Division, who shall have the matter investigated and arrange for the restoration of the monument, and the operator shall make payment for such restoration in the sum assessed by the Director.
- (3) Restoration of the monument shall be made by an Alberta Land Surveyor under instructions of the Director of Surveys.
- (4) The sum assessed shall include, in addition to a charge of twenty-five dollars per monument, the full costs of investigation and restoration of the damage done by the operator, but in no case shall the sum total be less than one hundred dollars.
- (5) Should the operator fail to report, as provided in subsection (2), he shall be assessed an additional sum of fifty dollars for each and every monument disturbed, moved or damaged.

- (6) This section shall apply in every case where a monument is destroyed, moved or damaged irrespective of whether it occurred before or after these regulations were established.
- 4. (1) Any clearing of land or disturbance of soil shall be subject to investigation by an inspector, and work of restoration with respect to drainage, disposal of refuse or any other matter which may affect the present or future use of any roadway or road allowance by the public, or the utilization of the land, shall be carried out in accordance with instructions, either verbal or written, given to the operator.
- (2) Any instruction given to an operator shall be reported in writing immediately to the Director of Mineral Rights and the Director of Technical Division.
- (3) No tree, brush, debris, refuse or other material shall be left in a ditch, and if deposited between the ditch and the limit of the roadway, shall not be left in an unsafe or unsightly manner, and on a main highway, no tree, brush, debris, refuse or other material shall be left within the limits of the right-of-way.
- (4) An operator shall not leave a road, road shoulder or ditch in a damaged or rutted condition, and shall not leave snow, mud or cuttings piled on any road or road allowance or in any ditch bottom.
- (5) Where conditions are such that a road or road allowance is likely to be damaged by the use of heavy equipment thereon, operations shall be suspended unless the operator accepts full responsibility for any damage, and gives the Secretary of the municipality or the District Maintenance Engineer a written undertaking to repair immediately any damage caused.
- (6) Where a section of a main highway is under construction no work shall be undertaken by an operator without first consulting the Resident Highway Engineer, in order that the work of construction will not be interfered with or that heavier than normal damage will not result to newly finished grade, and the decision of the Resident Highway Engineer shall be final.
- (7) On unimproved road allowances, where an operator constructs a road as access to his operations, any work, such as clearing, culverts, bridges or the filling in of low places, shall be done in the centre of the road allowance, and the costs shall be borne by the operator.
- (8) On improved roads used by an operator as access to his operations, damage resulting therefrom shall be repaired and the costs borne by the operator.
- (9) If in the opinion of the Minister of Highways any work performed in the construction of a roadway or any other operation is detrimental to the surface of the land, the Minister may require the operator to restore the surface as nearly as possible to its original condition, and costs of restoration shall be borne by the operator.
- 5. (1) No clearing, ditching or grading shall be done within three feet of the limits of a road allowance or a roadway which is in use.
- (2) No shot hole shall be drilled more than ten feet from the nearest limit of a road allowance or public roadway, and in the case of improved road-

ways or road allowances, shot holes shall be drilled wherever possible between the limit thereof and the nearest ditch to that limit but not closer than five feet to the toe of slope.

- (3) (a) No shot hole shall be drilled within twenty-five feet of a driveway or gateway, within six hundred feet of a residence, or within one thousand feet of a school, church or other public building.
  - (b) Where a shot hole is located in the vicinity of such an improvement care shall be exercised in determining the size of the shot to be used and in other ways to avoid any damage occurring to the improvement.
- (4) A test hole, shot hole or core hole shall be drilled at a sufficient distance from a water well to prevent the well or water from being affected or damaged, and in no case shall the distance be less than six hundred feet.
- (5) No test hole or core hole shall be drilled within fifty feet of a driveway or gateway or within three hundred and thirty feet of a residence, school, church or other public building.
- (6) No test hole or core hole shall be drilled within the limits of a road allowance, roadway or highway, to a depth in excess of two hundred feet, unless permission to do so first has been obtained in writing from the Director of Mineral Rights.
- (7) No shot hole, test hole or core hole shall be drilled within ten feet of a monument.
- 6. No operations shall be conducted within the limits of a city, town or village without the consent in writing of the city, town or village being first had and obtained, and a copy of the consent shall be supplied immediately to the Director of Mineral Rights.
- 7. Before commencing any operations within a municipal district, the operator shall inform the Secretary of the municipal district of the road allowances or roadways to be used in his projected operations, and immediately the operations cease the operator shall notify the Secretary.
- 8. Any surplus soil or other material removed in the drilling of any hole shall be spread so as to avoid interference with drainage and to permit access to adjoining property.
- 9. No spikes, pins or other pointed metals shall be driven into the bed of any roadway or highway in the performance of a geophysical exploration, and if such spikes, pins or other pointed metals are required, they may be driven into the shoulder of the roadway or highway provided that they are removed within twenty-four hours after being driven.
- 10. If a tree is cut or destroyed on public lands by an operator payment shall be made as assessed by the Directory of Forestry, and in the case of timber, payment shall be required at twice the regulation rates specified by The Forests Act, The Forest Reserves Act or The Provincial Parks Act, whichever is applicable.
- 11. A test hole, shot hole or core hole shall be drilled at a sufficient distance from any gas, oil or water pipe line, cable, transmission line or utility of any

nature buried under the surface, to insure the uninterrupted use of the utility, and in no case shall the distance from a water pipe line be less than one hundred and twenty feet, and from any other utility forty feet.

- 12. If in drilling operations any underground water is released and flows to the surface, no further drilling of the hole shall be done, and the hole shall be plugged immediately to prevent the flow of water and its location shall be reported immediately by the operator to the Director of Mineral Rights; provided, however, that the hole may be completed as a water well if,—
  - (a) arrangements have been made previously with the legal or equitable owner of the surface so to complete the hole;
  - (b) the flow of water is properly controlled;
  - (c) completion of the hole will not result in damage to other lands or property or interfere with the rights of others; and
  - (d) the hole is not located on a main highway.
- 13. If as a result of operations any damage occurs whether by the caving in of the sides of any hole, by interference with drainage, by the release of underground water or otherwise, the operator shall take immediate steps to remedy the damage and prevent any recurrence thereof, and all costs shall be borne by the operator.
- 14. If, upon being informed of damage caused by him or due to his exploration operations, an operator fails to take immediate action to repair the damage, the Minister of Lands and Forests may have the damage repaired, and the operator, in addition to any other penalty to which he may be subject, may be assessed twice the cost incurred in making the necessary repairs.
- 15. Before any operations are undertaken in timbered areas a preliminary plan in duplicate shall be filed with the Director of Technical Division.
- 16. (1) On or before the 1st day of June, 1952, the operator shall file with the Director of Mineral Rights a cumulative plan or plans in duplicate showing the location of all trails made or constructed, roadways which have been used and the identifying number and location of each shot hole, test hole and core hole made up to the 31st day of January, 1952, and not shown previously in a filed plan.
- (2) Commencing with the month of February, 1952, the operator shall file with the Director of Mineral Rights each month a plan in triplicate showing the location of all trails made or constructed, roadways which have been used and the identifying number and location of each shot hole, test hole and core hole made during the preceding month.
- (3) If the operations are in surveyed territory the plan shall be on a scale not smaller than that of one mile to the inch, or if the operations are in unsurveyed territory the plan shall be on a scale not smaller than that of two miles to the inch.
- 17. Every operator shall familiarize himself and each member of his crew with Part III of The Forests Act, and shall be responsible for any fire which starts, directly or indirectly, personally or through any employee or agent of said operator, upon or adjacent to the lands on which operations are being

conducted, and the services of the operator and his employees shall be given free whenever a fire starts or threatens the land or improvements on which operations are being conducted or adjacent thereto.

- 18. (1) The operator shall allow any person the use of any trails or roads constructed or built by him upon Crown lands, or maintained in connection with the exploratory operations, for ordinary travel either on foot or by horse-drawn or motor vehicle, free of charge.
- (2) Any operator or company desiring the use of a road in connection with exploratory operations or commercial undertakings may do so upon bearing a proportionate part of the initial costs of the construction of the road less annual depreciation, and costs of maintenance of the road in proportion to the use of such road by the several users.
- (3) In the event of failure of the operator or other users to make a satisfactory arrangement, the matter shall be placed before the Minister of Lands and Forests and the decision of the Minister shall be binding on all parties.
- 19. (1) If any public land is held under lease, permit or other form of terminable grant, or has been disposed of by the Crown pursuant to an Act or Regulation which contemplates the issue of a notification, the operator, before entering on the land, shall procure the consent of persons having the right to the use of the surface.
- (2) The operator, before entering on any patented land, shall procure the consent of the owner and of persons having the right to the use of the surface.
- (3) In obtaining consents required by this section, the person conducting the exploration shall describe accurately to the owner, and the occupant where the land is occupied, the line to be followed in the operations and the course to be followed by any automotive equipment used, and he shall not vary such line or course without the further consent to the variation of the persons from whom consent first was required.
- 20. If a bridge, culvert, fence, gate or other property is damaged in the performance of an operation, the person operating the geophysical equipment that caused the damage immediately shall restore the property as nearly as possible to its original condition, or if it is not possible to make the repairs immediately, shall take the necessary steps to safeguard against further hazard or damage and have the repairs made with as little delay as possible.
- 21. Where not otherwise provided, any operator who disobeys or refuses or neglects to carry out any of the provisions of this Part of the regulations shall be guilty of an offence and liable on summary conviction to a penalty not exceeding One Thousand Dollars and in default of payment to imprisonment for a term not exceeding six months.

#### PART II.

## Methods In Which Geophysical Exploration May Be Conducted.

- 22. In this Part, unless the context otherwise requires,—
  - (a) "Department" means the Department of Mines and Minerals;
  - (b) "Director" means the Director of Mineral Rights of the Department;
  - (c) "geophysical equipment" means any equipment used or employed in performing any duty or function for or preparatory for geophysical exploration;
  - (d) "geophysical exploration" means any method whereby the art of applying a physical science is employed in the determination of geologic or other conditions which may be favourable for the accumulation or location of minerals, and includes,—
    - (i) seismic;
    - (ii) gravimetric;
    - (iii) magnetic;
    - (iv) electrical;
    - (v) geochemical;
    - (vi) test drilling;
    - (vii) any other method which may be used for the purpose of investigating the subsurface;
  - (e) "Minister" means the Minister of Mines and Minerals;
  - (f) "improved territory" means territory in which roads are maintained by municipal or governmental authorities;
  - (g) "shot hole" means a hole drilled for the purpose of firing a shot of explosive whether or not the shot is fired;
  - (h) "test hole" means any hole drilled for any purpose other than for the firing of a shot.
- 23. This Part applies to every operator of geophysical equipment and all geophysical exploration in the Province.
- 24. No person shall operate geophysical equipment unless he is the holder of a subsisting permit to operate geophysical equipment or is employed to perform a duty or operation for a person who is the holder of a permit.
- 25. (1) Application for a permit to operate geophysical equipment shall be made to the Director in such form as he may prescribe.
- (2) The application shall be accompanied by a fee of twenty-five dollars for issue of the permit, and the fee shall be refunded if the permit is not granted.
- (3) Each application shall be subject to review by the Director who may grant or refuse the permit.
  - (4) A permit shall become operative on the date of its issue.

- (5) The permit shall expire one year following the day it becomes operative, and may be renewed from year to year upon payment of twenty-five dollars for each renewal.
- 26. The permittee shall advise the Director of the location of the head-quarters of each crew operating under the authority of the permit and shall advise him promptly of any change in the location of such headquarters.
- 27. (1) Each piece of automotive equipment, including bulldozers, used in geophysical exploration, with the exception of passenger vehicles used by supervisory personnel, shall be legibly inscribed on each side in letters and figures not less than four inches high, with the number of the permit under the authority of which it is operated as follows:

"Permit No. (Insert number)

- (2) A piece of automotive equipment shall not be marked with more than one permit number.
- 28. A test hole or shot hole, before or immediately after being drilled, shall be marked with a metal tag on which the number of the permit shall be inscribed in a way that shall not become illegible or obliterated, and the tag shall be fixed in close proximity and not more than thirty feet from the hole and where the hole is on a road allowance or roadway the tag shall be on the same side of the road.
- 29. (1) When abandoning a test hole, the drilling mud and any material obtained from the hole during drilling shall be returned to fill the hole and upon compliance with subsection (2) the remaining mud or other material shall be spread over the ground so that the surface of the land shall be restored as nearly as possible to its original condition.
- (2) A four foot plug shall be inserted firmly in the hole to a depth of two feet below the surface, and,—
  - (a) if the plug is cement or concrete, the hole shall be filled and well tamped;
  - (b) if the plug is wood, there shall be placed immediately over it either a plank two inches thick, one foot wide and two feet long or six inches of dry cement, and the hole shall be filled and well tamped.
- 30. In improved territory, the drilling mud and any material obtained from a shot hole shall be inserted into the hole and such hole shall be plugged firmly with a wooden or cement plug of a diameter not less than that of the hole and of a length of not less than two feet, which shall be driven into the hole to a depth of one foot below the surface, and the hole shall be filled and well tamped.
- 31. If the winter conditions prevent the proper insertion of a plug or the proper tamping, a plug may be inserted temporarily to the level of the surface, and as soon as the frost is sufficiently out of the ground, the hole shall be completed in accordance with section 29 or section 30.

- 32. Any of the requirements of sections 28, 29, 30 or 31 may be waived or altered with the written consent of the owner of the land upon which the hole is drilled.
- 33. In territory which is not improved, all shot holes shall be plugged firmly with a wooden or cement plug of a diameter not less than that of the hole and not less than two feet in length, and the plug shall be driven into the hole to the level of the surface and the surrounding ground well tamped.
- 34. When a drilling crew is ahead of the firing crew, a temporary plug shall be placed in each hole until the firing crew is ready to shoot the hole.
- 35. (1) No explosive shall be left in a hole, unless sufficient earth is placed in the hole to secure the explosive in the hole and unless any wires attached to the explosive are left at a safe distance below the surface, until the explosive is properly fired or removed and placed in safe keeping.
- (2) An explosive charge that fails to discharge shall be detonated by another shot immediately, or the charge and any wires remaining attached thereto shall be buried in the hole and the hole filled with earth, and plugged in accordance with these regulations.
- 36. If the firing of a shot disturbs a plug of a previously abandoned hole, the permittee by or for whom the shot was fired shall recomplete the plugging of the previously abandoned hole in compliance with this Part.

### PART III.

### General

- 37. (1) No geophysical operations shall be conducted in an area which is a restricted area for the purpose of these regulations.
  - (2) Restricted areas shall be,-
    - (a) areas covered by natural or artificial lakes;
    - (b) Provincial Parks, Forest Reserves and grounds upon which public institutions and Metis colonies are situated, and to explore which the administrative body having jurisdiction has not granted the operator permission;
    - (c) areas in which underground mines are located; and
    - (d) areas defined as restricted areas by the Minister of Mines and Minerals.
- 38. Where the land upon which a geophysical operation is conducted has been patented, the requirements of these regulations except those of section 12 may be varied by agreement between the operator and the owner and person having the right to the use of the surface, if the operation will not damage other lands or property or interfere with the rights of others.

- 39. Any notice required to be served pursuant to these regulations on an operator shall be sufficiently served if given verbally or in writing to any person performing any duty or work for or on behalf of the operator.
- 40. The operator shall be responsible for any contravention of these regulations occurring by reason of his operations or the operations of any other person performing any duty or work for or on behalf of the operator or under the authority or purported authority of his license or permit.
- 41. (1) If an operator fails to comply fully with the provisions of these regulations, the Minister of Mines and Minerals may terminate the license or permit.
- (2) If an operator or anyone performing any duty or work under the authority of a license or permit fails to comply fully with the provisions of these regulations and if a breach of the regulations is not remedied within such time as may be granted verbally or in writing, the Director of Mineral Rights may cancel or suspend the license or permit.
- (3) If an operator or anyone performing any duty or work under the authority of a license or permit repeatedly fails to comply with the provisions of these regulations, the Director of Mineral Rights may cancel or suspend the license or permit without notice.
- (4) If any question arises as to failure to comply with a provision of these regulations, the Minister shall be the sole judge thereof and there shall be no appeal from his decision.
- 42. Nothing contained in these regulations shall affect or be held to limit or interfere with any proceeding that may be taken under the Criminal Code or The Alberta Surveys Act or any civil action for the recovery of damages.





Map showing Bituminous Sands Disposals

( Not included )









File	No
------	----

BITUMINOUS SANDS PROSPECTING PERMIT No.

Know all Men by These	<b>Arraents</b> that in consideration
of and subject to the provisoes, con	ditions and restrictions hereinafter
contained, full right and liberty is here	eby granted in so far as the Crown
has the power to grant the same, to	
of	So III
heirs, executors, administrators and su	ccessors to prospect for bituminous
sands, the property of the Crown, by	
(O) A	

to determine the nature and extent of the bituminous sands in the following lands, namely:



This permit is subject in all respects to the Regulations Governing Disposition of Bituminous Sands Rights the Property of the Crown, and to the provisions of The Mines and Minerals Act and to the provisions of any regulations now made or which hereafter may be made under the authority of the said Act or any Act passed in substitution therefor.

The permittee shall be entitled to search for, quarry, work and remove bituminous sands in the lands described herein and to extract products therefrom in an amount necessary for the permittee to carry out proper tests of the bituminous sands removed; provided that the permittee shall not dispose of such bituminous sands or products thereof without the consent in writing of the minister.

IN WITNESS WHEREOF I have he the Department at the City of Edmonton	nereto set my hand and the seal of on, in the Province of Alberta, this
I (we)	Director of Mineral Rights.
	(Witness)
Fee \$250.00	Receipt No
Deposit \$	



# ALBERTA REGULATION 333/57

# REGULATIONS GOVERNING DISPOSITION OF BITUMINOUS SANDS RIGHTS THE PROPERTY OF THE CROWN

#### under

# THE MINES AND MINERALS ACT

(O.C. 1600/55 and O.C. 1756/57)

(Filed November 18, 1957)

## Interpretation

- 1. For the purpose of these regulations,
- (a) "bituminous sands" and "bituminous sands rights" shall have the meaning given in The Mines and Minerals Act;
- (b) "Department" means the Department of Mines and Minerals;
- (c) "Director" means the Director of Mineral Rights of the Department;
- (d) "lease" means a bituminous sands lease;
- (e) "Minister" means the Minister of Mines and Minerals;
- (f) "permit" means a bituminous sands prospecting permit.

### Permits

- 2. (1) Application for a permit shall be filed with the Director accompanied by the following:
  - (a) a fee of \$250.00;
  - (b) rental for one year at the rate of five cents an acre;
  - (c) a deposit of \$50,000.00.
- (2) The deposit may be made in cash or negotiable bearer bonds of the Dominion of Canada or the Province of Alberta.
- (3) The fee, rental and deposit shall be refunded if the application is not granted.
- 3. The proposed plan of examination to be conducted shall be included in the application and if the proposed plan is satisfactory to the Minister a permit may be granted subject to the provisions of these regulations.
- 4. The maximum area of a permit shall be 50,000 acres and its boundaries shall be in the discretion of the Minister.
- 5. The maximum number of permits that may be held by a person at any one time by application under these regulations shall not exceed two.
- 6. (1) The permittee is prohibited from transferring a portion of the location contained in the permit.
- (2) Subject to subsection (1) the permittee may transfer the permit to the extent permitted under The Mines and Minerals Act.
- 7. The term of the permit shall be for one year commencing on the date it is granted, renewable for a second term of one year upon payment of rental for the second year at the rate of ten cents an acre and renewable for a third term of one year upon payment of rental for the third year at the rate of ten cents an acre, provided that with each application for renewal the permittee furnishes evidence, to the satis-

faction of the Minister, of the progress in the conduct of the examination and the portion of the examination expected to be completed within the renewal period.

- 8. The deposit shall be held by the Department as a guarantee that a prospecting program in accordance with the proposed plan of examination will be conducted diligently by the permittee to the satisfaction of the Minister.
- 9. If during the period the permit is operative, the permittee finds that a type of investigation not included in his plan would be beneficial in exploring the bituminous sands in lands described in the permit, the plan may be varied with the consent in writing of the Minister.
- 10. The permittee shall comply with the provisions of The Mines and Minerals Act and regulations made pursuant thereto.
- 11. The permit shall be in such form as may be determined by the Minister and may include such conditions, provisions, restrictions and stipulations as the Minister may prescribe.
- 12. The permittee during the term of the permit and any renewal thereof, shall submit to the Minister from time to time as required the details of the expenditures incurred in the examination, and at the termination of the permit, shall submit to the Minister a statutory declaration setting forth the several items of expenditure incurred in the examination and the specific purpose for which each such item was expended.
- 13. In case of default by the permittee in the due observance of and compliance with any of the terms or conditions of his permit, the Minister shall cause written notice to be given to the permittee that it is the intention to cancel the permit for the reason set forth in the notice unless within thirty days after issue of the notice the permittee shows cause to the contrary, but the decision of the Minister shall be final and there shall be no appeal therefrom.
- 14. The permittee shall furnish to the Minister or to his authorized representative a complete copy of every log taken of each hole drilled and such other information, data and reports pertaining to the examination as the Minister may from time to time require.
- 15. The permittee may relinquish at any time or from time to time, any portion of the area comprised in the permit but no refund shall be made of any fee, rental or deposit paid.
- 16. If a permittee does not make application for a lease and has complied with the terms and conditions of the permit to the satisfaction of the Minister, the deposit will be refunded.
- 17. The permit may be terminated at any time at the option of the permittee and subject to the provisions of these regulations he shall have the right to apply for a lease of bituminous sands rights in an area within the lands described in his permit.

### Leases

18. The area that may be comprised in the lease shall be determined by the Minister after consultation with the permittee and after taking into consideration the nature and the extent of the bituminous sands proven by the permittee's examination, the proposed capacity of the plant or other works to be constructed and the requirements for operation thereof for a period of at least thirty years.

- 19. The lease shall require that, within one year from the date upon which the lessee is given notice by the Minister to do so, the lessee shall commence the construction of the plant or other works, and shall complete the plant or other works and place the same in operation within four years from the date of the notice by the Minister, and thereafter shall carry on the processing of the bituminous sands or extraction of products diligently to the satisfaction of the Minister. The notice by the Minister shall not be given until the expiration of at least one year from the date of the lease.
- 20. The lease shall bear the date of application and shall be for a term of twenty-one years, renewable for further terms each of twenty-one years so long as the plant or other works are in operation, subject in each case of renewal to the terms and conditions prescribed at the time the renewal is granted, and to the provisions of The Mines and Minerals Act and the regulations in force from time to time.
- 21. The lease shall be in such form as may be determined by the Minister and may include such conditions, provisions, restrictions and stipulations as the Minister may prescribe.
- 22. The annual rental of a lease, payable yearly in advance, shall be
  - (a) twenty-five cents an acre for the first five years of the term of the lease, and
  - (b) one dollar an acre for the balance of the term and any renewal thereof provided that the Minister, in his sole discretion, may reduce to twenty-five cents an acre the rental payable in any year until the leasehold is in production.
- 23. The lease shall be subject to payment to the Crown of a royalty as may be prescribed from time to time by the Lieutenant Governor in Council
  - (a) on each of the products derived from the bituminous sands provided that the royalty during the first term of the lease shall not exceed one-sixth of the products, and
  - (b) on the bituminous sands taken from the leasehold which are sold or otherwise disposed of without processing or treatment.
- 24. (1) The cash deposit for a lease shall be \$5.00 for each acre comprised in the lease but in no case shall the maximum deposit exceed \$50,000.00 or the minimum be less than \$10,000.00.
- (2) Where application for lease is made at the termination of a permit any deposit in excess of the deposit required for the lease shall be refunded.
- (3) Upon the completion of the construction of the plant or other works satisfactory to the Minister, the deposit shall be refunded.
- 25. The lessee or his agent authorized in writing shall file with the Department not later than the 25th day of the month, on forms prescribed by the Minister, a full report of the production during the preceding month.
- 26. The lessee shall have a survey made of the location described in the lease so as to define the outer boundaries only thereof at his own expense by a land surveyor under instructions from the Director of Surveys, within one year from the date upon which the lessee may be notified in writing by the Minister to do so and such surveyor shall file with the Director of Surveys plans, notes, and any other information that may be required by the Director of Surveys.

- 27. (1) The lessee may relinquish his lease at any time or with the consent of the Minister may relinquish at any time or from time to time any portion of the location described in the lease.
- (2) Upon surrender of a lease, the deposit shall be refunded if the lessee has complied with the terms and conditions of the lease.
- 28. (1) The lessee is prohibited from transferring a portion of the location contained in the lease unless the consent of the Minister is first obtained.
- (2) Subject to subsection (1) the lessee may transfer the lease to the extent permitted under The Mines and Minerals Act.

#### General

- 29. Where application is made for a lease without first having obtained a permit the Minister may grant the lease subject to these regulations as far as practicable.
- 30. These regulations apply to all permits and leases granted either before or after the coming into force of these regulations with the exception that section 23 shall not apply to
  - (a) any lease granted on the termination of a permit or licence heretofore issued, or
  - (b) any lease heretofore granted.
- 31. Where any question arises pertaining to the interpretation and application of these regulations the Minister shall be the sole judge and there shall be no appeal from his decision.

(Extract from The Alberta Gazette of December 14, 1957)











Bituminous Sands Lease No.

File No.

# This Indenture, made in duplicate this

day of

in the year of Our

Lord one thousand nine hundred and

## Between:

HER MAJESTY THE QUEEN, in the right of the Province of Alberta, hereinafter called "Her Majesty", represented herein by the Minister of Mines and Minerals of the said Province of Alberta, hereinafter called the "Minister",

OF THE FIRST PART;

AND

hereinafter called the "Lessee",

OF THE SECOND PART:

WHEREAS under and by virtue of The Mines and Minerals Act, being chapter 66 of the Statutes of Alberta, 1949, the Lieutenant Governor in Council is empowered to make regulations governing disposition by lease, license or permit of bituminous sands rights; and

WHEREAS in exercise of the above recited power by order of the Lieutenant Governor in Council dated the 14th day of December, 1955, and numbered O.C. 1600/55, regulations were made governing disposition of bituminous sands rights the property of the Crown, a copy of which regulations is hereto annexed; and

WHEREAS the lessee having applied for a lease of bituminous sands rights in the lands hereinafter described, the Minister has granted such application under the provisions of The Mines and Minerals Act and the said regulations upon the terms and conditions herein contained.

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the rents and royalties hereinafter reserved and subject to the conditions, covenants, provisoes, restrictions and stipulations hereinafter expressed and contained, Her Majesty doth grant unto the lessee in so far as the Crown has the right to grant the same the exclusive right and privilege to win and work all beds and seams of bituminous sands within and under the lands more particularly described as follows, namely:

SAVING, EXCEPTING AND RESERVING, NEVERTHELESS, unto Her Majesty all bituminous sands lying under any bridge, abutment, public road and highway whether heretofore constructed or hereafter constructed, unless otherwise specifically granted by the Minister in writing.

Together with the right to search for, mine, quarry, drill for, remove and treat the said bituminous sands and recover products therefrom and dispose of the said bituminous sands and products; and for that purpose to construct and place such buildings, structures, tanks, pipe lines, machinery and equipment upon the said lands as shall from time to time be necessary and proper for the efficient working of the said bituminous sands and recovering products therefrom; and in the lawful exercise of any of the rights aforesaid and pursuant to the provisions of The Right of Entry Arbitration Act, 1952, or of any Act or Acts passed in substitution therefor, prescribing the conditions under which the right of entry may be obtained upon land, to enter upon, use and occupy so much of the surface of the said lands as may be necessary.

TO HAVE AND TO HOLD the same unto the lessee for the term of twenty-one years to be computed from the day of

, one thousand nine hundred and

renewable for further terms each of twenty-one years so long as the plant or other works satisfactory to the Minister are in operation, subject in each case of renewal to the terms and conditions prescribed at the time the renewal is granted, provided the lessee furnishes evidence satisfactory to the Minister to show that during the term he has complied fully with the terms and conditions contained in the lease and with the provisions of The Mines and Minerals Act and the regulations in force from time to time;

YIELDING AND PAYING therefor unto Her Majesty in every year during the first five years of the said term, the clear yearly rent or sum of Twenty-five Cents (25c) of lawful money of Canada for each and every acre of the lands described herein and in every year during the remainder of the said term, the clear yearly rent or sum of One Dollar (\$1.00) of lawful money of Canada for each and every acre of the lands described herein, such rent

being payable yearly in advance on the

day of

in each year of the said term, the first of which

payments has been made on or before the execution of these presents; and also rendering and paying therefor unto Her Majesty a royalty at such rate as may be prescribed from time to time by the Lieutenant Governor in Council on the said bituminous sands taken from the lands herein described which are sold or otherwise disposed of without processing or treatment, and a royalty at such rate as may be prescribed from time to time by the Lieutenant Governor in Council on each of the products extracted from the said bituminous sands; such royalties to be free and clear of and from all costs of recovering or processing the sands or extracting the products; such rent and royalty to be free and clear of and from all rates, taxes and assessments and from all manner of deduction whatsoever. The rates of royalties payable on products extracted during the term of this lease shall not exceed termper operations.

AND THE LESSEE DOTH HEREBY COVENANT AND AGREE with Her Majesty as follows, namely:

- I. That the lessee at all times shall perform, observe and comply with all the provisions of The Mines and Minerals Act, and the regulations made under the authority of the said Act or any Act or Acts passed in substitution therefor, and all such provisions and regulations which prescribe, relate to or affect the rights, obligations, privileges and restrictions of and upon lessees of bituminous sands rights the property of the Crown, shall be deemed to be incorporated into these presents and shall bind the lessee in the same manner and to the same extent as if the same were set out herein as covenants on the part of the lessee; provided that each and every provision or regulation hereafter made shall be deemed to be incorporated into these presents and shall bind the lessee as and from the date it is made, and in the event of conflict between any regulation hereafter made and any regulation previously made the regulation last made shall prevail.
- 2. That the lessee shall not enter upon the lands herein described for the purpose of searching for, winning or working bituminous sands when the right to the use of the surface is vested in some person other than the lessee until the lessee shall have complied fully with the provisions of The Right of Entry Arbitration Act, 1952, or any Act or Acts passed in substitution therefor.
- 3. That the lessee at all times shall perform, observe and comply with all the provisions of The Oil and Gas Resources Conservation Act, 1950, and The Quarries Regulation Act, and any Act or Acts passed in substitution for them or either of them, and any order of The Petroleum and Natural Gas Conservation Board or the Director of Mines made pursuant to any of such Acts, and any regulations which at any time may be made under the authority of any of such Acts, and all such provisions, orders and regulations shall be deemed to be incorporated into these presents and shall bind the lessee in the same manner and to the same extent as if the same were set out herein as covenants on the part of the lessee; provided that each and every provision, order or regulation hereafter made shall be deemed to be incorporated into these presents and shall bind the lessee as and from the date it is made, and in the event of conflict between any order or regulation hereafter made and any order or regulation previously made the order or regulation last made shall prevail.
- 4. That the lessee at all times shall perform, observe and comply with any regulations which at any time may be made under the authority of The Mines and Minerals Act pertaining to the exploration of the mineral resources, the development of any mining property or the operation of mines, including working conditions and any other matter incidental to the extraction of minerals.
- 5. That the lessee within one year from the date upon which the lessee is given notice by the Minister to do so, shall commence the construction of a plant or other works satisfactory to the Minister which upon completion shall have a minimum capacity to recover

of products a day and shall complete the plant or other works and place the same in operation within four years from the date of notice by the Minister, and thereafter shall carry on the processing of the bituminous sands or extraction of products diligently to the satisfaction of the Minister. The notice by the Minister shall not be given until the expiration of one year from the date hereof.

- 6. That the lessee shall keep correct books of such kind and in such form as may be prescribed by the Minister, showing the quantity of each of the products derived from the bituminous sands and the quantity of bituminous sands taken from the lands herein described, and whenever required to do so shall submit such books to the inspection of any officer or person appointed or authorized by the Minister to examine the same for the purpose of verifying the reports made by the lessee.
- 7. That the lessee shall well and truly pay or cause to be paid to the Minister at Edmonton, the rent and royalty hereby reserved, and the lessee or his agent authorized in writing shall make all reports at the times and in the manner herein or by the regulations prescribed.
- 8. That the lessee shall have a survey made of the lands herein described so as to define the outer boundaries only thereof at his own expense by a land surveyor under instructions from the Director of Surveys, within one year from the date upon which the lessee may be notified in writing by the Minister to do so and such surveyor shall file with the Director of Surveys plans, notes, and any other information that may be required by the Director of Surveys.
- 9. That the lessee during the said term shall make such provision for the disposal of the earth, rock, waste or refuse from his workings on the lands herein described that the same shall not be an inconvenience, nuisance or obstruction to any railway right of way, roadway, pass, passage, river, creek, or place, or to any private, public or Crown lands, or conflict with or embarrass the operating of any mine on the lands herein described or on adjoining lands, or in any manner whatsoever occasion any private or public damage, nuisance or inconvenience.
- 10. That the lessee shall deliver to the Minister, within such time as the Minister may specify, a statement in writing verified by affidavit or statutory declaration by the lessee or on his behalf, setting out such information as the Minister may direct with reference to any operation or proceeding of the lessee in respect of any mine, quarry or other work constructed or operated under the authority of these presents.
- 11. That the lessee shall permit any inspector or other person duly authorized by the Minister in that behalf, with all proper and necessary assistants, at all reasonable times during the said term, quietly to enter into and upon any part or parts of the lands herein described occupied by the lessee and any buildings, mines, quarries, structures and erections thereon, and into any part thereof, and to survey and examine the state and condition thereof, and for such purpose, to descend into all pits and shafts, and to enter and use all adits, tunnels, shafts, rises, wings, levels, galleries, drifts and

excavations, and to use all roads, ways, engines, ropes, machinery, gear, appliances, materials, and other things in and on the said lands, mines and quarries which by him shall be deemed necessary, without making any compensation for the same, provided nevertheless that in doing so no unnecessary interference is caused with the carrying on of the work of the lessee; and the lessee by all means in his power shall aid and facilitate such inspector or other person in making such entry, survey and examination.

- 12. That the lessee during the said term, shall open, use and work any mines, quarries and works opened and carried on by him in and on the lands herein described in such manner only as is usual and customary in skilful and proper mining operations of similar character when conducted by proprietors themselves on their own lands, and when working the same shall keep and preserve the said mines, quarries and works from all avoidable injury and damage, and shall maintain the adits, tunnels, shafts, rises, wings, levels, drifts, water-courses, roads, ways, works, erections and fixtures therein and thereon in good repair and condition, except such of the matters and things last aforesaid as from time to time shall be considered by any inspector or other person authorized by the Minister to inspect and report upon such matters and things to be unnecessary for the proper working of any such mine, but so that no supports placed in any mine, or any timbers or framework necessary to the use and maintenance of shafts or other approaches thereto or tramways thereon shall be removed or impaired, and in such state and condition shall at the end or sooner determination of the said term deliver peaceable possession thereof and of the said lands to Her Majesty.
- 13. That the lessee shall not make or sink any shaft or pit, or make railways or other ways, or carry on any mining operations, or do any other thing which will disturb or interfere with the surface of the lands herein described and he will leave sufficient material at all times for the support of the surface of the said lands so that there can be no subsidence of the same.
- 14. That the lessee shall not injure or endanger the buildings or other structures now or hereafter being on any part of the lands herein described.
- 15. That any plant, buildings, erections and fixtures whatsoever which have been affixed to the soil and are so affixed at the termination of this lease shall be deemed to be fixed to the soil and, together with all tools and machinery on the lands herein described, shall be the property of Her Majesty; provided that in case the lessee has complied fully with all the terms and conditions of the lease he, at any time within six months after the day upon which the lease is terminated, may remove any such machinery, tools, plant, buildings, erections and fixtures whatsoever, but shall not remove or impair any of the supports, timbers or frameworks which are necessary to the use and maintenance of the shafts or other approaches to any mine or quarry on the lands herein described, or any tramways or ladders therein, or any article, matter or thing the removal of which might cause such mine or quarry to fall, cave in or give way; and that in default of such removal within the time aforesaid the right, title and interest of the lessee in all such machinery, tools, plant, buildings, erections and fixtures whatsoever shall upon the determination of the lease, cease and determine.

- 16. That the lessee shall assume all liability for all damages of any nature whatsoever caused by the lessee, his servants, workmen, agents or licensees or in any way due to any mining, quarrying, work, construction, reconstruction, operation and patrolling carried on upon, in or under the lands herein described whether the same has been negligently mined, quarried, worked, constructed, reconstructed, operated, patrolled or not.
- 17. That the lessee shall keep Her Majesty indemnified against all claims and demands that may be made against Her Majesty by reason of anything done by the lessee, his servants, workmen, agents or licensees, in the exercise or purported exercise of the rights, powers, privileges and liberties hereby granted.
- 18. That, if at any time, whether heretofore or hereafter, a well is drilled on the lands herein described for the purpose of exploring, drilling or operating for petroleum, natural gas, salt or any other mineral, the lessee shall leave unmined a barrier of bituminous sands surrounding the casing or bore-hole of each well so drilled extending a distance of sixty feet in every direction from such casing or bore-hole, or such other distance as may be required or prescribed by the Director of Mines.
- 19. That the lessee shall pay and discharge all rates, assessments and taxes now charged or hereafter to be charged upon the demised premises.
- 20. That the lessee shall not assign, transfer, sublet or part with the possession of the rights described in this lease, or any part thereof, without the consent in writing of the Minister.

AND IT IS HEREBY AGREED by and between Her Majesty and the lessee as follows:

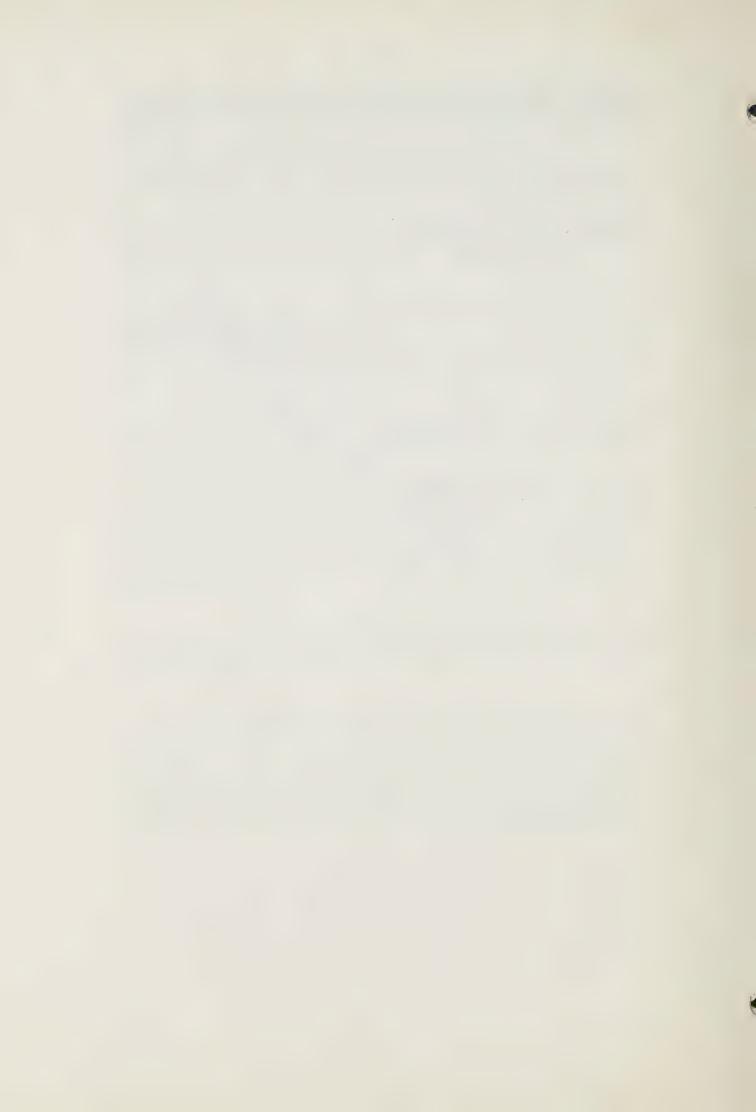
- 1. That the Minister, in his sole discretion, may reduce to Twenty-five Cents (25c) an acre the rental payable in any year until the leasehold is in production.
- 2. That if and whenever the rent or royalty hereby reserved, or any part thereof, is in arrears and unpaid for a period of more than thirty days, or if default is made by the lessee in the performance or observance of any of the covenants on the part of the lessee herein contained for a period of thirty days from and after the date of the sending by mail of a notice by or on behalf of the Minister to the lessee of such default, then and in every such case and as often as the same may happen, and notwithstanding any previous waiver, the Minister by writing may declare this lease to be terminated, and thereupon this lease shall become and be terminated, and be null and void for all purposes other than and except as to any liability of the lessee under the same incurred before and subsisting at the day when the lease is declared to be terminated as aforesaid.

- 3. That any notice affecting the tenancy hereunder which Her Majesty or the Minister may desire to serve upon the lessee shall be served sufficiently upon the lessee if posted to him addressed to his last known address, or if left at the said address. A notice sent by post shall be deemed to be given at the time of mailing the notice.
- 4. That any notice, demand, notice of cancellation or default, or other communication, which Her Majesty or the Minister may require or desire to give or serve upon the lessee may be legally given or served by the Minister, Director of Mineral Rights, or any other officer of the Department duly authorized in writing by the Minister.
- 5. That no waiver on behalf of Her Majesty of any breach of any of the conditions, covenants, provisoes, restrictions and stipulations herein contained, whether negative or positive in form, shall take effect or be binding upon Her, unless the same be expressed in writing under the authority of the Minister, and any waiver so expressed shall not limit or affect Her Majesty's rights with respect to any other or future breach.
- 6. That no implied covenant or liability of any kind on Her Majesty's part is created by the use of the words "demise" or "lease" herein or by the use of any other word or words herein, or shall otherwise arise by reason of these presents or anything herein contained.
- 7. That if the term hereby granted or the lessee's goods and chattels on the demised premises which are liable to distress shall at any time be seized or taken in execution or in attachment by any creditor of the lessee, or if the lessee shall make any assignment for the benefit of creditors, or becoming bankrupt or insolvent, shall take the benefit of any Act that may be in force for bankrupt or insolvent debtors, the term immediately shall become forfeited and void.
- 8. That this lease shall be so construed as to inure to the benefit of the lessee and such of his heirs, executors, administrators and assigns as are entitled or permitted to benefit thereunder pursuant to The Mines and Minerals Act, and to no other persons.
- 9. That whenever the singular or masculine or neuter is used in this lease, the same shall be construed as meaning the plural or feminine or a body politic or corporate where the context or the parties hereto so require; and the expression "lessee" herein includes the heirs, executors, administrators, successors and assigns of the lessee; the expression "Her Majesty" includes the successors and assigns of Her Majesty; the expression "Minister" means the Minister for the time being of Mines and Minerals and includes the Deputy Minister of Mines and Minerals; the expression "Department" means

the Department of Mines and Minerals; and the expressions "bituminous sands" and "bituminous sands rights" shall have the meaning given to them in The Mines and Minerals Act.

IN WITNESS WHEREOF the Deputy of the Minister of Mines and Minerals and the lessee have hereunto set their hands and seals the day and year first above written.

in the presence of	
	1997
	Deputy Minister of Mines and Minerals.
	CA
And by the lessee in the presence of	
Witness as to Lessee.	Lessee.



## ALBERTA REGULATION 333/57

# REGULATIONS GOVERNING DISPOSITION OF BITUMINOUS SANDS RIGHTS THE PROPERTY OF THE CROWN

#### under

## THE MINES AND MINERALS ACT

(O.C. 1600/55 and O.C. 1756/57)

(Filed November 18, 1957)

### Interpretation

- 1. For the purpose of these regulations,
- (a) "bituminous sands" and "bituminous sands rights" shall have the meaning given in The Mines and Minerals Act;
- (b) "Department" means the Department of Mines and Minerals;
- (c) "Director" means the Director of Mineral Rights of the Department;
- (d) "lease" means a bituminous sands lease;
- (e) "Minister" means the Minister of Mines and Minerals;
- (f) "permit" means a bituminous sands prospecting permit.

### Permits

- 2. (1) Application for a permit shall be filed with the Director accompanied by the following:
  - (a) a fee of \$250.00;
  - (b) rental for one year at the rate of five cents an acre;
  - (c) a deposit of \$50,000.00.
- (2) The deposit may be made in cash or negotiable bearer bonds of the Dominion of Canada or the Province of Alberta.
- (3) The fee, rental and deposit shall be refunded if the application is not granted.
- 3. The proposed plan of examination to be conducted shall be included in the application and if the proposed plan is satisfactory to the Minister a permit may be granted subject to the provisions of these regulations.
- 4. The maximum area of a permit shall be 50,000 acres and its boundaries shall be in the discretion of the Minister.
- 5. The maximum number of permits that may be held by a person at any one time by application under these regulations shall not exceed two.
- 6. (1) The permittee is prohibited from transferring a portion of the location contained in the permit.
- (2) Subject to subsection (1) the permittee may transfer the permit to the extent permitted under The Mines and Minerals Act.
- 7. The term of the permit shall be for one year commencing on the date it is granted, renewable for a second term of one year upon payment of rental for the second year at the rate of ten cents an acre and renewable for a third term of one year upon payment of rental for the third year at the rate of ten cents an acre, provided that with each application for renewal the permittee furnishes evidence, to the satis-

faction of the Minister, of the progress in the conduct of the examination and the portion of the examination expected to be completed within the renewal period.

- 8. The deposit shall be held by the Department as a guarantee that a prospecting program in accordance with the proposed plan of examination will be conducted diligently by the permittee to the satisfaction of the Minister.
- 9. If during the period the permit is operative, the permittee finds that a type of investigation not included in his plan would be beneficial in exploring the bituminous sands in lands described in the permit, the plan may be varied with the consent in writing of the Minister.
- 10. The permittee shall comply with the provisions of The Mines and Minerals Act and regulations made pursuant thereto.
- 11. The permit shall be in such form as may be determined by the Minister and may include such conditions, provisions, restrictions and stipulations as the Minister may prescribe.
- 12. The permittee during the term of the permit and any renewal thereof, shall submit to the Minister from time to time as required the details of the expenditures incurred in the examination, and at the termination of the permit, shall submit to the Minister a statutory declaration setting forth the several items of expenditure incurred in the examination and the specific purpose for which each such item was expended.
- 13. In case of default by the permittee in the due observance of and compliance with any of the terms or conditions of his permit, the Minister shall cause written notice to be given to the permittee that it is the intention to cancel the permit for the reason set forth in the notice unless within thirty days after issue of the notice the permittee shows cause to the contrary, but the decision of the Minister shall be final and there shall be no appeal therefrom.
- 14. The permittee shall furnish to the Minister or to his authorized representative a complete copy of every log taken of each hole drilled and such other information, data and reports pertaining to the examination as the Minister may from time to time require.
- 15. The permittee may relinquish at any time or from time to time, any portion of the area comprised in the permit but no refund shall be made of any fee, rental or deposit paid.
- 16. If a permittee does not make application for a lease and has complied with the terms and conditions of the permit to the satisfaction of the Minister, the deposit will be refunded.
- 17. The permit may be terminated at any time at the option of the permittee and subject to the provisions of these regulations he shall have the right to apply for a lease of bituminous sands rights in an area within the lands described in his permit.

### Leases

18. The area that may be comprised in the lease shall be determined by the Minister after consultation with the permittee and after taking into consideration the nature and the extent of the bituminous sands proven by the permittee's examination, the proposed capacity of the plant or other works to be constructed and the requirements for operation thereof for a period of at least thirty years.

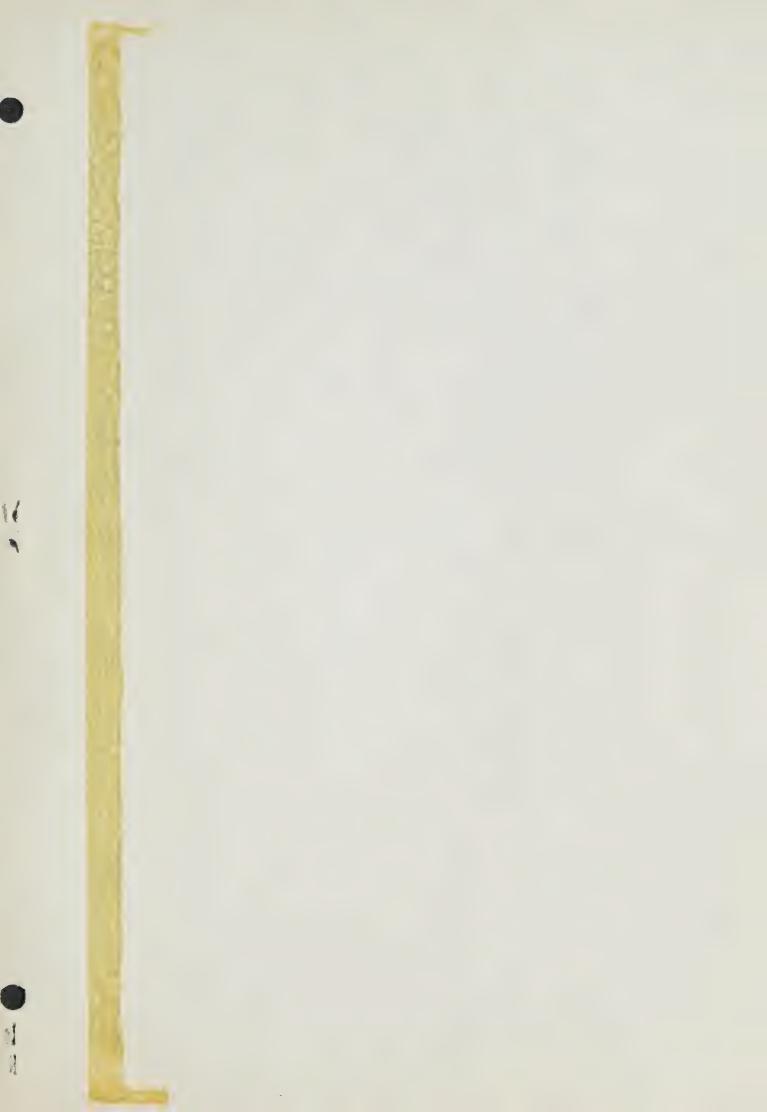
- 19. The lease shall require that, within one year from the date upon which the lessee is given notice by the Minister to do so, the lessee shall commence the construction of the plant or other works, and shall complete the plant or other works and place the same in operation within four years from the date of the notice by the Minister, and thereafter shall carry on the processing of the bituminous sands or extraction of products diligently to the satisfaction of the Minister. The notice by the Minister shall not be given until the expiration of at least one year from the date of the lease.
- 20. The lease shall bear the date of application and shall be for a term of twenty-one years, renewable for further terms each of twenty-one years so long as the plant or other works are in operation, subject in each case of renewal to the terms and conditions prescribed at the time the renewal is granted, and to the provisions of The Mines and Minerals Act and the regulations in force from time to time.
- 21. The lease shall be in such form as may be determined by the Minister and may include such conditions, provisions, restrictions and stipulations as the Minister may prescribe.
- 22. The annual rental of a lease, payable yearly in advance, shall be
  - (a) twenty-five cents an acre for the first five years of the term of the lease, and
  - (b) one dollar an acre for the balance of the term and any renewal thereof provided that the Minister, in his sole discretion, may reduce to twenty-five cents an acre the rental payable in any year until the leasehold is in production.
- 23. The lease shall be subject to payment to the Crown of a royalty as may be prescribed from time to time by the Lieutenant Governor in Council
  - (a) on each of the products derived from the bituminous sands provided that the royalty during the first term of the lease shall not exceed one-sixth of the products, and
  - (b) on the bituminous sands taken from the leasehold which are sold or otherwise disposed of without processing or treatment.
- 24. (1) The cash deposit for a lease shall be \$5.00 for each acre comprised in the lease but in no case shall the maximum deposit exceed \$50,000.00 or the minimum be less than \$10,000.00.
- (2) Where application for lease is made at the termination of a permit any deposit in excess of the deposit required for the lease shall be refunded.
- (3) Upon the completion of the construction of the plant or other works satisfactory to the Minister, the deposit shall be refunded.
- 25. The lessee or his agent authorized in writing shall file with the Department not later than the 25th day of the month, on forms prescribed by the Minister, a full report of the production during the preceding month.
- 26. The lessee shall have a survey made of the location described in the lease so as to define the outer boundaries only thereof at his own expense by a land surveyor under instructions from the Director of Surveys, within one year from the date upon which the lessee may be notified in writing by the Minister to do so and such surveyor shall file with the Director of Surveys plans, notes, and any other information that may be required by the Director of Surveys.

- 27. (1) The lessee may relinquish his lease at any time or with the consent of the Minister may relinquish at any time or from time to time any portion of the location described in the lease.
- (2) Upon surrender of a lease, the deposit shall be refunded if the lessee has complied with the terms and conditions of the lease.
- 28. (1) The lessee is prohibited from transferring a portion of the location contained in the lease unless the consent of the Minister is first obtained.
- (2) Subject to subsection (1) the lessee may transfer the lease to the extent permitted under The Mines and Minerals Act.

#### General

- 29. Where application is made for a lease without first having obtained a permit the Minister may grant the lease subject to these regulations as far as practicable.
- 30. These regulations apply to all permits and leases granted either before or after the coming into force of these regulations with the exception that section 23 shall not apply to
  - (a) any lease granted on the termination of a permit or licence heretofore issued, or
  - (b) any lease heretofore granted.
- 31. Where any question arises pertaining to the interpretation and application of these regulations the Minister shall be the sole judge and there shall be no appeal from his decision.

(Extract from The Alberta Gazette of December 14, 1957)









# GOVERNMENT OF THE PROVINCE OF ALBERTA

THE RIGHT OF ENTRY ARBITRATION ACT with amendments up to and including 1957

OFFICE CONSOLIDATION

## NOTE

All persons making use of this consolidation are reminded that it has no legislative sanction; that the amendments have been embodied only for convenience of reference, and that the original Acts should be consulted for all purposes of interpreting and applying the law.

# THE RIGHT OF ENTRY ARBITRATION ACT (OFFICE COMSOLIDATION)

(Being chapter 290 of the Revised Statutes of Alberta, 1955, with amendments up to and including 1957)

An Act to Provide for the Exercise of a Right of Entry and for the Determination of Compensation to be Paid Therefor

1. This Act may be cited as "The Right of Entry Arbitration Act". (1952, c.79, s.1)

Short Title

#### INTERPRETATION

2. In this Act.

(a) "Board" means the Board of Arbitration appointed pursuant to this Act;

Interpretation "Board"

(b) "minerals"

(i) means mines and minerals, and

"minerals"

(ii) includes, without derogating from the generality of subclause (i), gold, silver, platinum, uranium, pitchblende and other materials from which radium is or can be obtained, precious stones, copper, iron, titanium, tin, zinc, asbestos, salt, sulphur, petroleum, oil, asphalt, oil sands, natural gas, coal, limestone, granite, slate, shale, marble, sandstone, and any other stone that is or can be quarried or otherwise mined for any purpose, and sand, gravel, gypsum, clay, marl and volcanic ash, but

(iii) does not include sand and gravel that belong to the owner of the surface of land under The Sand and Gravel Act;

(c) "Minister" means the Minister of Mines and Minerals;

"Minister"

"occupant"

(d) "occupant" means

(i) a person, other than the owner, who is in actual possession of land,

(ii) a person who is shown on a certificate of title as having an interest in land, or

(iii) an operator granted right of entry, user or taking of land pursuant to an order of the Board;

(e) "operator" means a person, company, syndicate or partnership having the right to a mineral or the right to work the same, or the agent thereof;

"operator"

(f) "owner" means the person in whose name a certificate of title has been issued pursuant to The Land Titles Act.

"owner"

(1952, c.79, s.2; 1953, c.100, s.2; 1957, c.81, s.2)

## APPLICATION OF ACT

3. This Act applies to all lands in the Province of Alberta. (1952, c.79, s.3)

Application of Act

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# APPOINTMENT AND POWERS OF BOARD

4. (1) There shall be a board (a) which shall be styled the Board of Arbitration, and

Board of Arbitration

- (b) which shall consist of not more than three members who shall be appointed by the Lieutenant Governor in Council.
- (2) A member of the Board shall be appointed as chairman by the Lioutenant Covernor in Council.
- (3) The chairman and each other member of the Board shall receive such remuneration as may be fixed by the Lieutenant Governor in Council. (1952, c.79, s.4)

Remuneration

5. (1) Where

Absence or inability of member

- (a) a member is absent or is unable to act, or
- (b) a vacancy occurs in the membership of the Board,

the member or members of the Board present may exercise all the jurisdiction and powers of the Board.

- (2) Where the chairman is absent or is unable to act an order, direction and any other document may be signed by any one member, and when so signed has the like effect as if it were signed by the chairman.
- (3) When it appears that a member other than the chairman has acted for and in the place of the chairman, it shall be presumed conclusively that such member has acted in the absence or disability of the chairman. (1952, c.79, s.5; 1957, c.81, s.3)
- 6. (1) An application that may be heard by the Board under this Act may be heard by one member of the Board.

Hearing by single member

- (2) A member of the Board efter a hearing referred to in subsection (1) shall report his findings to the Board.
- (3) The Board on receiving a report made under subsection (2) may deal with the application as if the hearing had been held before the entire Board. (1952, c.79, s.6)
- 7. Subject to the provisions of The Public Service Act
  the Lieutenant Governor in Council may appoint a secretary and such
  other officers and employees as are required to carry on the
  business of the Board.
  (1952, c.79, s.7; 1957, c.81, s.4)
  - 8. (1) The Board shall

Duties and powers of Board

(a) make rules of procedure and practice governing the hearings and proceedings before it and regulating the places and times of its sittings, and

. .

- (b) submit to the Minister in the month of January in each year a report showing briefly
  - (i) the applications to the Board and dispositions thereof received or made during the preceding year, and

(ii) such other matters as the Minister may from time to time direct.

- (2) The Board has
  - (a) the powers and duties given to it by this Act and such further powers and duties as may be determined by the Lieutenant Governor in Council, and
  - (b) all the powers that may be conferred upon a commissioner pursuant to The Public Inquiries Act.
- (3) The rules of procedure and practice mentioned in subsection (1) come into force from the date of their publication in The Alberta Gazette. (1952, .c.79, s.8)
  - 9. The Board may

Powers of Board

- (a) hold its sittings at such place or places in the Province as it from time to time deems expedient,
- (b) enter upon and inspect, or authorize any person to enter upon and inspect, any place, building, works or other property,
- (c) appoint or direct any person to make an inquiry and report on a matter before the Board, and
- (d) in the absence of the secretary of the Board, appoint a secretary for the time being to act in the place of the secretary of the Board. (1952, c.79, s.8)
- 10. Where the sittings of the Board or of a member thereof are appointed to be held in a city, town or place in which a court house is situated, the member presiding at the sittings has

Use of court houses

- (a) with regard to the use of the court house and other buildings or apartments set apart in the judicial district for the administration of justice, but
- (b) subject to the prior right of the court and of the judicial and administrative officers to use the buildings and apartments for the purposes of the administration of justice,

the same authority in all respects as a judge of the Supreme Court. (1952, c.79, s.8)

11. The secretary of the Board shall

Duties of secretary

- (a) keep a record of all proceedings conducted before the Board,
- (b) keep properly authenticated copies of every rule and order made by the Board,
- (c) have the custody and care of all records and documents belonging to or pertaining to the Board and filed in its office,
- (d) ensure that every rule or order made by the Board is drawn pursuant to the direction of the Board and properly authenticated and filed in his office,
- (e) deliver to any person on request and on payment of the prescribed fee a certified copy of any rule or order made by the Board,
- (f) sign and issue on behalf of the Board, when all members of the Poard are absent or unable to act, an order giving an operator leave to enter forthwith, if leave has been applied for pursuant to section 18, but pending the hearing and disposition of the operator's application to the Board,
- (g) perform such other duties as may from time to time be assigned or allocated to him by the Board, and
- (h) obey all rules and directions given by the Board relating to the duties of the secretary.
  (1952, c.79, s.9, 1937, c.61, s.5)

### RIGHT OF BLORY

12. (1) No operator has a right of entry, user and taking of the surface of any land for

Right of

- (a) the removal of minerals contained in or underlying the surface of such land or for or incidental to any mining or drilling operations,
- (b) the laying of pipe lines for or in connection with any mining or drilling operations, or the production of minerals, or
- (c) the erection of tanks, stations and structures for or in connection with a mining or drilling operation, or the production of minerals,

until the operator has obtained the consent of the owner of the surface of the land and of the occupant thereof, or has become entitled to entry by reason of an order of the Board made pursuant to this Act.

- (2) Notwithstanding anything contained in a grant, conveyance, lease, licence or other instrument, whether made before or after the coming into force of this Act, and pertaining to the acquisition of an interest in a mineral, an operator thereby does not obtain the right of entry, user or taking of the surface of any land unless the grant, conveyance, lease, licence or other instrument provides a specific separate sum in consideration for the right of entry, user or taking of the surface required for his operations, but this subsection does not apply in a case where the operator, prior to the first day of July, 1952, has for any of the purposes referred to in subsection (1) exercised the right of entry, user or taking of the surface of land in accordance with the provisions of a grant, conveyance, lease, licence or other instrument.
- (3) The order of the Board may grant the right of entry, user or taking of the surface of
  - (a) the land in which the operator or his principal has the right to a mineral or the right to work a mineral, and
  - (b) such other land as in the opinion of the Board is necessary
    - (i) for a pipe line, power line, or a road to connect the operator's mining or drilling operations located on adjacent lands and to permit the operations to be operated jointly, and for the tanks, stations and structures to be used in the operations, or
    - (ii) to give the operator access to his mining or drilling operations from a public roadway or other public way, and egress from the operations to the public roadway or other public way,

irrespective of whether or not the owner or occupant of the other land is the owner or occupant of the surface of the land in which the operator or his principal has the right to the mineral or the right to work the same.

# (4) Where

- (a) a licence has been obtained to drill a well for the removal of a mineral contained in or underlying the surface of a tract of land, and
- (b) the orifice of the well will be located outside the tract,

the Board may grant the right of entry, user or taking of the surface of land outside the tract in the same manner and to the same extent as if the land were within the tract, irrespective of whether or not the owner or occupant of the surface of the land outside the tract is the owner or occupant of the surface of land within the tract.

- (5) Where an operator in his application represents that subsidence of the surface of the land may result from the mining of coal the order of the Board may grant the right to disturb or interfere with the surface of the land irrespective of whether or not the operator will enter upon the surface in conducting his operations.
- (6) Unless otherwise provided in the order, an order of the Board granting right of entry, user or taking of the surface of land is deemed to vest in the operator the exclusive right, title and interest in the surface of the land other than the right to a certificate of title issued pursuant to The Land Titles Act but does not vest in the operator the right to carry away sand and gravel from the land.

  (1952, c.79, s.10; 1953, c.100, s.3; 1954, c.92, s.2; 1957, c.81, s.6)
- 13. (1) Where surface rights required by an operator for any of the purposes mentioned in this Ict are vested in some person other than the Crown, and the operator cannot acquire by agreement a right of entry upon the surface required by him, the operator may make application to the Board for the acquisition of such interest in the surface rights as may be necessary for the efficient and economical performance of his operations.

Surface rights

- (2) The operator shall serve a copy of the application on the owner of the land and on the occupant thereof. (1952, c.79, s.11)
- 14. (1) Where surface rights required by an operator are held under a lease or other form of terminable grant from the Crown, or have been disposed of by the Crown pursuant to an Act or regulation that contemplates the issue of a notification, the operator may make application to the Board for the acquisition of such interest in the surface rights as may be necessary for the efficient and economical performance of his operations.

Idem

- (2) The operator
- (a) shall file a copy of the application
  - (i) with the Deputy Minister of Lands and Forests, or when the lands are in a special area, with the Deputy Minister of Municipal Affairs, and
  - (ii) when the title for the lands shows that another Department has an interest in the lands, with the Deputy Minister of that Department,

and

(b) shall serve a copy of the application on the occupant of the land. (1952, c.79, s.11; 1957, c.81, s.7)



15. (1) Where the surface rights required by an operator are held by the Crown, and no person other than the Crown has an interest therein, the operator may make application to the Board for the acquisition of such interest in the surface rights as may be necessary for the efficient and economical performance of his operations.

Idem

- (2) A copy of the application shall be filed by the operator
  - (a) with the Deputy Minister of Lands and Forests, or when the lands are in a special area, with the Deputy Minister of Municipal Affairs, and
  - (b) when the title for the lands shows that another Department has an interest in the lands, with the Deputy Minister of that Department.
    (1952, c.79, s.11; 1957, c.81, s.8)
- 16. (1) Upon the receipt of an application, the Board

Notice of hearing

- (a) shall appoint a date for the hearing, and
- (b) may require the operator to give such notice of the hearing in such manner as the Board directs
  - (i) to any person registered in the land titles office as having an interest in the land,
  - (ii) to any lessee or occupant of the land, and
  - (iii) to any other person.
- (2) A notice of the hearing of an application relating to Crown lands or to lands held under a lease or other form of terminable grant from the Crown or to lands disposed of by the Crown pursuant to an Act or regulation that contemplates the issue of a notification, shall be given in writing
  - (a) to the Deputy Minister of Lands and Forests, or when the lands are in a special area, to the Deputy Minister of Municipal Affairs, and
  - (b) when the title for the lands shows that another Department has an interest in the lands, to the Deputy Minister of that Department,

five days before the hearing of the application. (1952, c.79, s.12)

- 17. (1) The Board in hearing an application shall proceed in accordance with its rules of procedure and practice.
- (2) The Board is not bound by the rules of law concerning evidence.

Procedure at hearing



- (3) At a hearing before the Board the submissions and evidence
  - (a) of the Department of Lands and Forests,
  - (b) of the Department of Municipal Affairs, or
  - (c) of another Department,

as the case may be, may be given either verbally by a representative present at the hearing, or in writing.

(4) The Board may adjourn the hearing of an application from time to time for such length of time as the Board in its discretion deems expedient or advisable.

(1952, c.79, s.13; 1957, c.81, s.9)

Adjournments

### IMMEDIATE ENTRY

18. (1) Notwithstanding anything in this Act, after the filing of an application the Board may, if it deems it proper to do so, issue an order granting immediate right of entry, user or taking of the surface of the land,

Application for immediate entry

- (a) upon the operator providing security in such amount as may be prescribed by the Board, and
- (b) after seven clear days have elapsed from the date of personal service, or fourteen days from the date of any substituted service, on the owner and the occupant, of
  - (i) a copy of the application, and (ii) a notice in Form B in the Schedule.

(2) The amount deposited by the operator as security under subsection (1) shall stand as charged with and is available for the payment from time to time of such sums as the Board may direct to be paid in respect of the rights that are the subject matter of an order granted under subsection (1) and in respect of the costs of and incidental to the Application.

Security

- (3) In determining the amount of security under this section, the Board is deemed not to limit or determine the amount that it may ultimately order to be paid.
- (4) Upon the execution of a waiver in Form C in the Schedule by the owner and by the occupant, the period of seven clear days prescribed in subsection (1) is waived or reduced accordingly.
- (5) Substituted service under subsection (1) means any form of service other than personal service as may be directed by the Board in writing.

(1952, c.79, s.14; 1954, c.92, s.3; 1957, c.81, s.10)



## RIGHT OF ENTRY FOR CONSERVATION PURPOSES

19. (1) Where land is required for the drilling and operating of a well and for the necessary surface instalations at and pipe lines to or from the well head, the Board by order may grant the right of entry, user or taking of the surface of the land for the purposes of

Field scheme operation

- (a) repressuring, recycling or pressure maintenance in a petroloum or natural gas field or pool,
- (b) the storage or disposal of

(i) natural gas,

- (ii) processed or treated natural gas, or
- (iii) products of natural gas,
- (c) the storage and disposal of water produced from or to be injected in a petroleum or natural gas field or pool, or
- (d) obtaining water for any operation mentioned in clauses (a), (b) and (c).
- (2) The application for an order under subsection (1) shall be accompanied by
  - (a) a duplicate of the written approval of the Oil and Gas Conservation Board to the scheme for which the well is to be drilled, and
  - (b) a statement by the Oil and Gas Conservation Board that a well for the purposes of the scheme at the site applied for is essential to implement desirable conservation or production practices.
- (3) Where a well has been drilled for the production or removal of any minerals and it is proposed to operate the well for any of the purposes mentioned in subsection (1), an application may be made for the acquisition of such interest in the surface as is necessary for the proposed operation of the well.
- (4) The provisions of this Act governing the right of entry, user or taking of the surface for or in connection with operations for the production and removal of minerals apply in so far as they are applicable to an application or an order for the right of entry, user or taking of the surface of land for any of the purposes mentioned in subsection (1).

  (1954, c.92, s.4; 1957, c.31, s.11)

### APPLICATIONS

19a. An application to the Board for a right of entry shall be in Form A in the Schedule or in a form to the like effect.
(1957, c.81, s.12)

Applications

#### ORDER OF THE BOARD

20. (1) The Board shall determine

Determination

- (a) what portion of the surface rights the operator requires for or incidental to the efficient and economical performance of the operations,
- (b) the exact position of the portion of the surface rights required,
- (c) the amount of compensation payable and the person to whom the compensation is payable, and
- (d) such other conditions as the Board deems necessary in connection with the granting of the right of entry.
- (2) The Board, in determining the amount of compensation, may consider

Compensation

- (a) the value of the land,
- (b) the amount of land that might be damaged permanently by the operations of the operator,
- (c) the adverse effect of the right of entry on the remaining land,
- (d) compensation for severance,
- (e) compensation for nuisance, inconvenience and noise that might be caused by or arise from or in connection with the operations, and
- (f) such other factors as the Board deems proper, relevant or applicable. (1952, c.79, s.15)
- 21. An order of the Board made in writing is final and there is no appeal therefrom.
  (1952, c.79, s.16; 1957, c.31, 3.14)

Appeal

- 22. (1) Upon an order being issued by the Board, the secretary or an employee of the Board shall mail or deliver the order or a certified copy thereof to the owner, the occupant and the operator.
- (2) An order of the Board or a certified copy thereof may be filed with the Registrar of the appropriate land registration district who, on payment of the proper fee, shall make an entry of the order filed on the certificate of title of the land affected.

Effect of filing order

(1952, c.79, s.17; 1757, c.Sl, s.15)

23. An order of the Board granting a right of entry may be enforced by

Enforcement of Order

- (a) the sheriff or the sheriff's bailiff, or
- (b) any other person under the written direction of the sheriff,

in the same manner as a writ of possession issued upon the order of a court or judge. (1952, c.79, s.18)

24. An order of the Board need not show upon its face that any proceedings were taken or notice given or that any circumstances existed necessary to give the Board jurisdiction to make the order.

Order need not show jurisdiction

(1952, c.79, s.19)

25. The Board

Re-hearing

- (a) may re-hear an application before deciding it, and
- (b) may review, rescind, change, alter or vary a decision, order or award and order made by the Board (1952, c.79, s.20; 1954, c.92, s.5)
- 26. (1) The costs of and incidental to the proceedings before the Board, except as otherwise provided by this Act, are in the discretion of the Board, and may be fixed in any case at a sum certain or may be taxed.

Costs

- (2) The Board may order by whom and to whom any costs are to be paid, and by whom the costs are to be taxed and allowed.
- (3) The Board may prescribe a scale under which the costs are to be taxed.
  - (4) Where
    - (a) the Board has granted an order giving a right of entry to an operator, and
    - (b) the owner or occupant has refused to allow the operator to enter upon and use the lands to which the operator is entitled as described in the order,

the operator may apply to the Board to deduct from the compensation awarded to the owner or occupant the costs incurred by the operator in and incidental to obtaining entry upon and use of the land pursuant to the provisions of the order.

(5) The amount of costs, if any, to be deducted under subsection (4) is in the discretion of the Board.
(1952, c.79, s.21)

#### TERMINATION OF RIGHT OF ENTRY

27. (1) In this section "right of entry" means a right of entry whether granted by an order of the Board or by an order of the Board of Public Utility Commissioners, or by a judge of the district court under regulations established pursuant to The Provincial Lands Let prescribing the conditions under which right of entry may be obtained upon land.

Application to terminate right of entry

- (2) If at any time after the expiration of two months from the date of an order of the Board granting right of entry, the operator has not commenced to use or has ceased to use the surface of the land, or any part thereof, the operator, the owner or the occupant may request the Board for an order terminating the right of entry as to that land or part thereof.
- (3) On receipt of a request referred to in subsection (2) the Board
  - (a) shall appoint a date for an inquiry into all matters pertaining to the request, and
  - (b) may require notice of the inquiry to be given in such manner as the Board may direct.
  - (4) The Board shall hold the inquiry and may
  - (a) direct the operator to restore the land as nearly as possible to the same condition as it was in before the exercise of the right of entry and for that purpose may direct the operator to remove structures, fill excavations and do all such other things as the Board deems proper, and
  - (b) impose a penalty on the operator for failure to carry out the directions of the Board.
- (5) Upon being satisfied that the directions, if any, given under subsection (4) have been carried out by the operator the Board may make an order terminating the right of entry as to the land or any part thereof.
- (6) Notwithstanding any of the provisions in subsection (2), (3), (4) or (5), if it is indicated to the Board that the termination of a right of entry should be considered, the Board
  - (a) may inquire into the matter, and
  - (b) may, if the circumstances in the opinion of the Board so warrant, make an order terminating the right of entry as to the land or any part thereof on such terms and conditions as the Board deems proper.

    (1952, c.79, s.22; 1957, c.81, s.16)

#### GEFFER-L

28. A certified copy of an order of the Board, signed by the chairman or a member of the Board or the secretary, shall be admitted as evidence of the order by the Board, and of any award made by the order, without any proof of the authenticity of the signature or any other proof whatsoever.

(1952, c.79, s.23)

Certified copy of order as evidence

29. (1) A certified copy of an order of the Board may be filed in the office of the Supreme Court.

Enforcement of order

(2) On payment of the proper fees to the Clerk of the Supreme Court, the order of the Board shall be entered as a judgment of the Supreme Court, and may be enforced according to the ordinary procedure for enforcement of a judgment of the Supreme Court. (1952, c.79, s.24)

No fees chargable to Board by Government departments

30. (1) Every Registrar of land titles and every department of the Government shall furnish without charge to the Board any certificates and certified copies of documents that the Board requests in writing.

- Trespass
- (2) The Board or a person duly authorized in writing by the Board may search at any time in the public records of a land titles office without charge. (1952, c.79, s.25)
- 31. A person who, in the exercise of a right of entry, user or taking, enters upon, uses or takes any of the surface of land in contravention of any of the provisions of this Act
  - (a) shall be deemed to have committed a trespass thereby, and
  - (b) is liable in damages or otherwise for the trespass to any person who is the owner or the occupant entitled to the possession of the surface of the land. (1952, c.79, s.26)
- 32. Where there is a conflict between the provisions of this Act and anything contained in any grant, conveyance, lease, licence or other instrument, whether made before or after the coming into force of this Act with respect to the right of entry, user or taking of the surface of any land incidental to any mining or drilling operations, the provisions of this Act prevail. (1952, c.79, s.27)

Conflict between provisions



# SCHEDULE

# FORM A

# (Section 19a) THE RIGHT OF ENTRY ARBITRATION ACT

# APPLICATION

In i	the matter of:	(land description)	
вЕ	TWEEN:		(applicant)
		- and -	(respondent)
(name and address of applicant) hereby applies for an order for right of entry, user or taking of the surface of the following land:			
		e description and acreage or refer to a plan attack	ned)
1. The applicant has the right to apply to the Board by virtue of			
(here give particulars)			
2. The applicant requires the land for the following purpose(s)			
		0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	
3.	The owner of the 1	and is(na	
		(ad	dress)
4.	The occupant(s) of	the land is (are)	
	(name)	••••••••••••••••••••••••••••••••••••••	(address)
5.		been unable to reach an a	agreemont
101	one acduratoron or	(the own	er and/or the cccupant4
6. The applicant requires (or does not require) immediate right of entry, user or taking of the surface of the land.			
7.	A. 4		0 8 8 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9
			day of
			licant)
		per	• • • • • • • • • • • • • • • • • • • •

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TO: The Secretary, Board of Arbitration, Right of Entry Arbitration Act. Edmonton, Alberta. FORM B THE RIGHT OF ENTRY ARBITRATION ACT NOTICE Re: (land description) BETWEEN: (applicant) - and -(respondent) has been made to the Board of Arbitration pursuant to The Right of Entry Arbitration Act with respect to the above land. TAKE NOTICE that an application in the form hereto attached AND FURTHER TAKE NOTICE that the Board may issue the order applied for at the expiration of seven clear days from the date of service hereof without further notice to you unless, within that time, representations are made by you either in writing or in person to the Board at its offices in the city of Edmenton, Alberta. Dated at the ..... of ..... in the Province of Alberta this ..... day of ...... 19 .... (Applicant) TO: FORM C (Section 18 (4)) THE RIGHT OF ENTRY ARBITRATION ACT WAIVER Re: (land description) BETWEEN: (applicant) - and -(respondent) in the Province of Alberta acknowledge service by the applicant herein of a copy of an application and a notice

in Form 5 dated the ..... day of ..... 19 ...,

under The Right of Entry Arbitration Act.







# GOVERNMENT OF THE PROVINCE OF ALBERTA

THE PIPE LINE ACT with amendments up to and including 1957

OFFICE CONSOLIDATION

# NOTE

All persons making use of this consolidation are reminded that it has no legislative sanction; that the amendments have been embodied only for convenience of reference, and that the original Acts should be consulted for all purposes of interpreting and applying the law.

# THE PIPE LINE ACT (OFFICE CONSOLIDATION)

(Being chapter 234 of the Revised Statutes of Alberta, 1955, with admendments up to and including 1957)

An Act Respecting Pipe Lines

1. This Act may be cited as "The Pipe Line Act". (1952, c.67, s.1)

Short Title

## INTERPRETATION

2. In this Act,

Interpretation
"flow line"

- (a) "flow line" means a pipe line serving to interconnect well heads with separators, treaters and field storage tanks;
- (al) "gas"
  - (i) means all natural gas both before and after it has been subjected to a treatment or process by absorption, purification, scrubbing or otherwise, and
  - (ii) includes all other fluid hydrocarbons not defined as oil:
- (a2) "gas line" means a pipe line for the transportation of gas and includes all property of any kind required for the purpose of the gas line or in connection with or incidental to, the operation of the gas line, but does not include processing, refining, manufacturing or marketing pipe lines situate wholly within a plant proerty, or flow lines, or a distribution system for the distribution within a community of gas to ultimate consumers:

"gas line"

(b) "Minister" means the Minister of Mines and Minerals;

"Minister"

(c) "oil"

"oil"

- (i) means crude petroleum oil and all other hydrocarbons, regardless of gravity, in liquid form, and
- (ii) includes liquid hydrocarbons that are obtained or produced from bituminous sands recovered by removing any overburden and excavating from the surface;
- (cl) "oil line"

"oil line"

(i) means a pipe line for the transportation of oil, or a pipe line for the transportation of water incidental to drilling for or production of oil or gas, or a pipe line for the transportation of any liquid products manufactured or obtained from oil or gas by any process or means whatsoever,



- (ii) includes all property of any kind required for the purpose of the pipe line or used in connection with or incidental to the pipe line, and, without restricting the generality of this subclause, includes tanks, tank batteries, surface reservoirs, pumps, racks, storage, loading and other terminal facilities and all real property necessary therefor or used in connection therewith, but
- (iii) does not include processing, refining, manufacturing or marketing pipe lines situated wholly within a plant property, or flow lines;
- (d) "permittee" means a person who holds a permit under this Act to construct a pipe line;

"permittee"

(e) "pipe line" means a gas line and an oil line or either of them;

"pipe line"

(f) "regulations" means regulations made under this Act. (1952, c.67, s.2; 1953, c.88, s.2; 1955, c.57, s.3) (1957, c.66, s.16)

"regulations"

## PART I

## PERMIT FOR A PIPE LINE

3. (1) No person shall commence the construction of a pipe line or a section thereof until the Minister has granted a permit as hereinafter provided authorizing such construction.

Permit to construct pipe line

- (2) Notwithstanding subsection (1) but subject to any regulations that are issued, a person before the granting of a permit, may
- Entry upon land
- (a) enter into and upon any Crown or other lands lying in the intended route of the pipe line without previous licence therefor,
- (b) make surveys, examinations or other necessary arrangements on the lands for fixing the site of the pipe line right of way and works, and
- (c) set out and ascertain such parts of the lands as are necessary and proper for the pipe line.

  (1952, c.67, s.3)
- 4. (1) A person may make application to the Minister for a permit to construct a pipe line.

Application for permit

(la) Unless otherwise ordered by the Minister, a notice of intention to make the application, in Form 1 in the Schedule together with a plan on a readable scale which the Minister may by regulations prescribe, showing the proposed route of the



pipe line or a list of the legal subdivisions on the proposed route of the pipe line, shall be published each week for at least two consecutive weeks in a newspaper published in each locality through which the pipe line is to pass, or if there is no such newspaper in some newspaper circulating in such locality, and the last of such publications of the notice shall be at least one week before the date fixed for the application.

- (2) An application for a permit shall be accompanied by a plan
  - (a) on the scale which may be prescribed by regulations, and
  - (b) showing in detail
    - (i) the points in the Province between which and the route along which the pipe line is to be constructed,
    - (ii) the intended size and capacity of the pipe line, and
    - (iii) the location and capacity of all proposed pumping stations, metering facilities, tanks, surface reservoirs, pumps, racks, storage, loading and other terminal facilities, and connections of all kinds upon the pipe line.
- (3) An applicant for a permit shall forward satisfactory proof of compliance with subsection (la) and all such plans and information in addition to that provided for in subsection (2) as the Minister or the Oil and Gas Conservation Board may require.
- (4) A copy of the application for a permit and copies of all maps, plans, information and material filed with the Minister shall be filed by the applicant at the same time with the Oil and Gas Conservation Board and the Minister of Highways.

  (1952, c.67, s.4)

  (1957, c.66, s.15 & 17)
- 5. In the case of a gas line, the Oil and Gas Conservation Board shall notify the Minister whether it approves or disapproves thereof and may recommend to the Minister such changes and alterations in the plan and in the details as the Board deems expedient, and in the case of an oil line, the Board shall notify the Minister of any objections it may have thereto.

  (1952, c.67, s.5)
  (1957, c.66, s.18)

Recommendations

6. (1) When he is considering the application, the Minister may have regard to

Consideration of application



- (a) in the case of a gas line
  - (i) any approval or disapproval and any recommendations of the Oil and Gas Conservation Board and any recommendations or objections of the Minister of Highways,

(ii) the financial responsibility of the applicant,

(iii) the objection of an interested party,

- (iv) any public interest that, in the opinion of the Minister, may be affected by the granting or refusal of the application, and
  - (v) the needs and general good of the residents of the Province as a whole,

and

- (b) in the case of an oil line
  - (i) any objections of the Oil and Gas Conservation Board and any recommendations or objections of the Minister of Highways, and
  - (ii) any objection of any person having any interest in the surface of the land along the route of the proposed oil line.
- (2) The Minister may make such changes and alterations in the plan and details of a gas line as he may deem expedient, and may in particular require that the gas line shall be of any size or capacity.
- (3) The Minister may make such changes and alterations in the route of an oil line as he may deem expedient.
- (4) The decision of the Minister as to whether a person is or is not an interested party within the meaning of subclause (iii) of clause (a), or subclause (ii) of clause (b), of subsection (l) is final and not subject to review in any court of law.

  (1952, c.67, s.6)
  (1957, c.66, s.19)
- 7. (1) The Minister may grant a permit to construct a gas line in accordance with the plan and details originally forwarded to him, or as changed or altered by him, as the case may be, and subject to such terms and conditions as he may express in the permit or he may refuse to grant the permit.

Permit

- (1a) Notwithstanding the existence of any applications, permits or pipe lines, the Minister may grant a permit to construct the oil line applied for subject to such terms and conditions as he may express in the permit.
- (2) The decision of the Minister with respect to an application for a permit is final and not subject to review in any court of law
  (1952, c.67, s.7)
  (1957, c.66, s.20)



8. (1) Any permit granted under section 7 may, subject to any conditions prescribed by the Minister, grant the right to the permittee to construct, maintain and operate the pipe line on, across, over or under any roads, road allowances, streets, lanes and public highways vested in Her Majesty in right of the Province of Alberta.

Rights of permittee

- (2) The provisions of this Act with respect to the taking and appropriation of land held by Her Majesty in right of the Province of Alberta do not apply in the case of roads, road allowances, streets, lanes and public highways vested in Her Majesty in right of the Province of Alberta.
- (3) Where any right is granted to a permittee to construct, maintain and operate a pipe line on, across, over or under any road, road allowance, street, lane or public highway, the permittee shall take care to preserve, as far as possible, a free and uninterrupted passage to and over the road, road allowance, street, lane or public highway during construction and maintenance of the pipe line.

(1952, c.67, s.18; 1955, c.38, s.36)

- 9. At any time after the granting of a permit the Minister may, upon such terms and conditions as he deems proper,
  - (a) direct the permittee to divert or relocate the pipe line if in the Minister's opinion the diversion or relocation is necessary to facilitate the construction, reconstruction or relocation of a highway or any other work affecting a public interest,
  - (b) direct the permittee to change or alter the plan of the pipe line to conform to the diversion or relocation of the pipe line, and
  - (c) amend, rescind or add to the terms and conditions expressed in the permit as he deems necessary. (1952, c.67, s.8)

10. At any time after the granting of a permit the Minister may, upon application by the permittee, or the recommendation of the Oil and Gas Conservation Board, or the recommendation of the Board of Public Utility Commissioners,

Direction to divert or relocate pipe line

Diversion or

public works

relocation of pipe line for

(a) direct the diversion or relocation of the pipe line,

(b) amend, rescind or add to the terms and conditions expressed in the permit as he deems necessary, and

alter the plan of the pipe line to conform to the diversion or relocation of the pipe line.

> (1952, c.67, s.9)(1957, c.66, s.15)



Permit

ll. Notwithstanding any other provision of this Act, the Minister, at the request of the Oil and Gas Conservation Board, shall grant a permit to construct a gas line in a case where the Oil and Gas Conservation Board has made an order for the construction of a pipe line under section 46 of The Oil and Gas Conservation Act. (1952, c.67, s.10) (1957, c.66, s.21)

# PART II

#### TAKING AND USING LAND

# Right of Appropriation or Entry

12. (1) Upon obtaining a permit pursuant to Part I, the permittee may take and appropriate for the purposes of his undertaking so much of the lands or interest therein of the Crown or other persons as are necessary for the building, construction, laying or operating of the pipe line.

Right of appropriation

- (2) The manner in which and the terms upon which a permittee may exercise the right to take and appropriate any land or interest therein shall
  - (a) be in accordance with the terms of any agreement effected between the permittee and the owner of any such land, other than land held by Her Majesty in the right of the Province of Alberta, or any interest therein, or
  - (b) in the absence of any such agreement or in the case of land held by Her Majesty in the right of the Province of Alberta, be as set out in this Part,

and not otherwise.

- (3) The interest in Crown lands that a permittee may take is by way of licence of occupation, right of way or easement. (1952, c.67, s.11; 1953, c.88, s.3)
- 13. (1) The permittee shall apply to the Board of Public Utility Commissioners for an order setting out the terms upon which the permittee may take and appropriate land or an interest in land, being such as are necessary for the efficient and economic operation of the rights of the permittee.

Application to appropriate land

- (2) If the application concerns Crown land a copy of the application shall be served upon
  - (a) the Minister of Lands and Forests, or the Minister charged with the administration of the land, as the



case may be, if the Crown land affected is land held by Her Majesty in the right of the Province of Alberta, or

(b) the Minister of the Crown charged with the administration of the land if the Crown land affected is held by Her Majesty in the right of Canada,

and upon every person having any right, title or interest in the land.

- (3) The application shall have annexed thereto such reference maps, plans or sketches as may be required by the Minister of Lands and Forests or the Minister charged with the administration of the Crown land affected, as the case may be, prepared in the form and drawn to the scale required by him.

  (1952, c.67, s.12; 1953, c.88, s.4)
- 14. (1) Upon receipt of the application the Board of Public Utility Commissioners shall
  - (a) fix the date for the hearing of the application,
  - (b) notify the applicant of the date fixed, and
  - (c) require the applicant to give such notice by personal service, advertisement or in such other manner and to such persons as the Board may direct.
  - (2) The Board
  - (a) shall hear and determine the application, and
  - (b) upon the conclusion of the hearing, or as soon as convenient, may make an order declaring,
    - (i) the amount of land that is required by the permittee as being necessary for the efficient and economic operation of the permittee's rights, including, without restricting the generality of the foregoing, the right of ingress and egress to and from the pipe line and the right of way therefor,

(ii) the exact location of such land,

- (iii) the nature of the interest acquired by the permittee in the land,
- (iv) the name and address of a person other than the Crown having any right, title or interest in the land,
- (v) the amount of money payable by the permittee to the Crown or other person for the appropriation of the land or an interest in the land,

Hearing of application to appropriate land



(vi) the amount of money payable to the Crown or other person for incidental damages caused by or arising out of the construction of the pipe line, and (vii) the costs of and incidental to the application and by whom they are payable. (1952, c.67, s.13; 1953, c.88, s.5)

15. (1) At any time during which an application is pend-Deposit ing, the Board of Public Utility Commissioners may

- (a) upon application being made by the permittee, either ex parte or upon such notice to such parties as the Board in its discretion may direct, and
- (b) upon being satisfied of the necessity for the immediate exercise of all or any of the rights that are the subject matter of the application,

order that upon the permittee making a deposit with the Board, the permittee shall be at liberty forthwith to exercise such rights as may be specified in the order, in such manner and subject to such conditions as the Board deems fit and proper in the circumstances.

- (2) Such deposit shall be of such amount as the Board estimates to be sufficient to secure the payment by the permittee of such sums as may ultimately become payable, to the Crown and to any other person having a right, title or interest in any land, by reason or on account of the exercise of all or any of the rights of the permittee.
- (3) The amount deposited by the permittee shall stand as charged with and be available for the payment of
  - (a) all sums that the Board of Public Utility Commissioners orders to be paid in respect of all or any of the rights that are the subject matter of the application, and
  - (b) the costs of and incidental to the application.
- (4) In determining the amount of a deposit under this section, the Board of Public Utility Commissioners shall be deemed not to limit or determine the amount which it may ultimately order to be paid in respect of all or any of the rights that are the subject matter of the application. (1952, c.67, s.14)

16. Upon

(a) the making of an order by the Board of Public Utility

Order re appropriation of land



Commissioners pursuant to this Part, and

(b) the Board certifying in writing that the permittee has paid all the sums of money payable pursuant to the order, or in the alternative, that the permittee has deposited with the Board a sum sufficient to pay all sums payable under the order,

the permittee is at liberty to exercise every right to take and appropriate the land or the interest in land described in the order and conferred upon the permittee under this Act. (1952, c.67, s.15)

17. Part I of The Public Utilities Act, relating to the procedure of the Board of Public Utility Commissioners and the enforcement of orders of that Board, is applicable to proceedings and orders of that Board under this Part in so far as it does not conflict with the provisions of this Part. (1952, c.67, s.16)

Application of The Public Utilities Act

18. (1) An order made by the Board of Public Utility Commissioners pursuant to any of the provisions of this Act shall be laid upon the table of the Legislative Assembly within fourteen days after the commencement of the session held next after the making of the order.

Orders to be tabled in Legislature

- (2) The order
- (a) takes effect upon the making thereof or upon such later date as may be mentioned in the order, and
- (b) has, when made, the same effect as if it had been enacted as a part of this Act, unless disallowed by the Legislative Assembly at the session thereof held next after the making of the order.

(1952, c.67, s.17)

19. (1) A permittee, subject to the provisions of the permit and the order of the Board of Public Utility Commissioners, may

Excavation on neighbouring land

- (a) break up and uplift all lands as well as all passages common to neighbouring proprietors or tenants, and
- (b) dig and cut trenches therein for the purpose of laying down pipe lines, or taking up or repairing them.
- (2) A permittee shall do as little damage as possible in the execution of work under subsection (1).

(1952, c.67, s.19)



# Limitation to Appropriation

20. (1) Subject to the provisions of subsection (2), the land that may be appropriated for the right of way of a pipe line shall not exceed sixty feet in breadth.

Appropriation of land limited

- (2) If a permittee at any time requires more ample space than he possesses or is limited to under subsection (1)
  - (a) for the efficient construction, maintenance or operation of his pipe line, or
  - (b) for constructing or taking any works or measures approved or ordered by the Minister,

he may apply to the Minister for authority to take, without consent of the owner, the additional land required for such purpose. (1952, c.67, s.20)

21. (1) No permittee is entitled to the mines, ores, metals, coal, slate, oil, gas or other minerals in or under land compulsorily taken by him under this Act, except only such portion thereof as it is necessary to dig, carry away or use in the construction of the permitted works.

Mines and minerals

- (2) All mines and minerals referred to in subsection
  (1) shall be deemed to be excepted from the appropriation
  of the land or interest in the land. (1952, c.67, s.21)
- 22. (1) No permittee shall lay down or erect a pipe line within six feet of the mains, pipes, wires or conductors previously laid down or erected for the supply of gas, water, electricty or telephone services through a street, square or public place of a municipality,

Space between pipe lines

- (a) without the prior consent of the company or municipality to which such mains, pipes, wires or conductors belong, or
- (b) without the payment to the company or municipality of such compensation as is agreed upon.
- (2) If the consent required by subsection (1) cannot be obtained, or the compensation cannot be agreed upon between the parties, the question shall be referred to the Board of Public Utility Commissioners whose decision thereon is final and binding.
- (3) Notwithstanding subsection (1), if it is impracticable to cut trenches for the pipe line at a distance of six feet or more, then such trenches shall be cut at a distance



as near to six feet from the mains, pipes, wires or conductors previously laid down or erected as the circumstances of the case will permit.

(4) Without the approval of the Minister no permittee shall lay down or erect a pipe line within one hundred feet of the centre line of a road that has been established as a main, secondary or district highway pursuant to The Public Highways Act. (1952, c.67, s.22; 1953, c.88, s.6)

### PART III

## OPERATION OF A PIPE LINE

- 23. (1) No permittee shall operate a pipe line until he has applied for and obtained from the Board of Public Utility Commissioners a declaratory order
  - (a) permitting the operation of the pipe line, and
  - (b) setting out the conditions under which the pipe line may be operated.
- (2) The Board, as a condition to granting the declaratory order, may stipulate that until such time as the permittee is declared to be a common purchaser by order of the Oil and Gas Conservation Board, the permittee shall not own or operate, directly or indirectly, an oil or gas well, oil or gas lease or oil or gas holdings or interest in the Province.
- (2a) Notwithstanding anything contained in this Act, where a permittee, at the time he is ready to begin operating a pipe line constructed under the authority of a permit issued under Part I, has not been able to comply fully with the requirements of this Act, and the regulations, respecting the obtaining of a declaratory order, the Board of Public Utility Commissioners may, if the Board deems it advisable to do so, grant to the permittee an interim operating permit authorizing the permittee to operate the pipe line subject to his complying within a reasonable period with such of the requirements of this Act or the regulations as have not been complied with theretofore.
- (3) Subsection (2) does not operate so as to preclude a permittee from owning or operating bituminous sands holdings or interests in the Province.
- (4) A person who by an order made pursuant to this Act is permitted to operate a pipe line, and who has been declared by the Oil and Gas Conservation Board to be a common carrier, if his pipe line may, in the opinion of the Board of Public Utility Commissioners, reasonably be used to transport an oil that has been obtained or produced

Order authorizing permittee to operate pipe line



from any bituminous sands and that has been processed to make it marketable, shall not discriminate between such oil and any other oil.

(1952, c.67, s.23; 1955, c.57, s.3) (1957, c.66, s.15 & 22)

## PART IV

### EXEMPTIONS

23a. (1) In this section,

(a) "gathering line" means a pipe line that is within a field as defined in The Oil and Gas Conservation

Act and that is used for the collection of oil, gas or water within the field,

Interpretation
"gathering
line"

(b) "service line" means a pipe line that is within a field as defined by The Oil and Gas Conservation

Act and that is used for the transportation of oil, gas or water to a well head, drilling rig, surface pit, or service tank within the field.

"service line"

(2) Except as to Part II, section 33 and this section, the provisions of this Act do not apply to tanks, surface reservoirs, service lines, gathering lines, flow lines and real property required therefor, and for the purposes of Part II the person intending to install any such facilities shall be deemed to be the holder of a permit.

· Exemptions

- (3) Part II does not apply to tanks, surface reservoirs, service lines, gathering lines, flow lines and real property where the right of entry, user or taking of the surface of land required therefor is obtained under The Right of Entry Arbitration Act.
- (4) The owner of any gathering line or service line shall forward to the Minister within sixty days of the date such line is placed in operation, a plan on a readable scale, or on the scale which the Minister may by regulations prescribe, showing the location of the line.
- (5) The Minister may by order exempt an oil line, a temporary gas line or a part of such a pipe line not exceeding in any one case ten miles in length from any or all of the provisions of this Act, other than Part II, and in the order may impose such terms and conditions as he deems advisable, but for the purposes of Part II the person on obtaining the order for any such pipe line shall be deemed to be the holder of a permit. (1957, c.66, s.23)



### PART V

#### GENERAL

24. (1) No permittee shall make any alteration, addition or extension of his pipe line, or to any other pipe line or work connected therewith, unless the alteration, addition or extension is authorized by the Minister.

Addition to or extension of pipe line

(2) The provisions of this Act regarding a pipe line apply to all alterations, additions and extensions thereto.

(1952, c.67, s.24) (1957, c.66, s.24)

25. No permittee shall alter or discontinue the pipe line and works or any part of them, or substitute another pipe line or other works in their stead, unless

Order to alter or discontinue pipe line

- (a) an order has been granted by the Board of Public Utility Commissioners authorizing the permittee to do so, and
- (b) notice of the order has been given to the Minister. (1952, c.67, s.25)
- 26. A permittee shall locate and construct his pipe line and all works connected therewith so as not to endanger the public health or safety. (1952, c.67, s.26)

Protection to public

27. A permittee shall mark with conspicuous signs on the limits of a public highway, surveyed road or road allowance outside the boundaries of a city, town or village, the place at which a pipe line enters and leaves or crosses under the public highway, surveyed road or road allowance.

Marking
entrance,
etc., of pipe
lines

(1952, c.67, s.27)

28. A permittee in the exercise of a power granted by this Act shall

Compensation for damages

- (a) do as little damage as possible, and
- (b) make full compensation for all damage caused by or arising out of the exercise of the said power.
  (1952, c.67, s.28)
- 29. No permittee without the authority of the Minister shall locate or construct his pipe line or a part thereof

Obstruction or inter-



so as to obstruct or interfere with or injuriously affect the working of or the access or adit to a mine then opened, or for the opening of which preparations, at the time of the location of the permittee's pipe line, are being lawfully and openly made. (1952, c.67, s.29)

ference with mine

30. Repealed

(1957, c.66, s.25)

31. (1) No permittee shall

Disposition of pipe line

- (a) sell, assign, transfer, convey or lease his permit or his pipe line or any interest therein in whole or in part,
- (b) enter into any agreement or contract for,
  - (i) the amalgamation of his pipe line with any other persons; or
  - (ii) the operation of his pipe line by any other person,

or

(c) mortgage or otherwise create a charge upon his pipe line or any interest therein,

unless an order of the Board of Public Utility Commissioners permitting the same has first been obtained.

- (2) Where the Board makes an order under subsection (1) it shall send a copy of the order to the Minister.
  (1952, c.67, s.31)
- 32. (1) The Minister may rescind a permit authorizing the construction of a pipe line for failure of the permittee to comply with any provision of this Act or the regulations.

Rescission of permit

- (2) Upon the rescission of a permit by the Minister, no oil, gas or water shall be carried by the pipe line until further order of the Minister and of the Board of Public Utility Commissioners. (1952, c.67, s.32)
- 33. (1) The Lieutenant Governor in Council may make regulations

Regulations

(a) providing for the regulation and control of the operations of any pipe line and anything incidental thereto, including, but not so as to limit the generality of the foregoing, the prescribing of



(i) the number, capacity and nature of storage tanks required for the operation of any pipe line, (ii) the methods of gauging the oil or gas in such storage tanks, the types and gravities of oil or gas which may be transported through any pipe line, (iv) the methods of measuring the quantity of oil or gas transported, (b) providing for the inspection of pipe lines during their construction and thereafter, and for the cost of any inspection, and as to the persons by whom the cost is to be borne, (c) prescribing the pressure to which a pipe line may be subjected, (d) governing any pipe or any system or arrangement of pipes that constitutes a distribution system to ultimate consumers, (e) fixing the number of and providing for the instalation of conduits, services, governors and meters,

- (f) providing for the analysis and testing of gas by competent and technical persons,
- (g) requiring oil or gas conducted or to be conducted through a pipe line or lines, to be treated, if necessary in a treating or purification plant, and providing for the installation of, and general requirements to be observed with respect to, any such plant,
- (h) providing for the laying of all pipe lines under the direction and inspection of proper persons,
- (i) providing that pipe lines are not to be constructed, maintained or operated until the damage arising from the laying of the pipe lines has been paid for or otherwise settled,
- (j) fixing the percentage of loss allowable to the owner of a pipe line;
- (k) prescribing the measures to be taken during
  - (i) the construction of pipe lines, compressor stations, pumping stations, regulating stations, house service lines, and



(ii) the installation of meters and other measuring devices,

for the protection of life and property then and thereafter,

- (1) providing for the reconstruction or removal of pipe lines, pipe line connections, compressor stations, pumping stations, regulators, meters, treating plants, purifying plants, tanks and all other oil or gas operating machinery and appurtenances, that through deterioration or otherwise have become or might become a danger or menace to life and property,
- (m) prescribing a schedule of fees for applications for permits, declaratory orders, or any other application or order that may be made under this Act, and
- (n) governing generally all such matters as he considers necessary, advisable and convenient for the purpose of carrying into effect the provisions of this Act.
- (2) Each regulation
- (a) shall be published in The Alberta Gazette,
- (b) comes into force either on the date of publication or on such later date as may be prescribed for that purpose, and
- (c) has, upon so coming into force, the same effect as if it had been expressly enacted as a part of this Act. (1952, c.67, s.33) (1957, c.66, s.26)
- 34. The Minister may, by order in a particular case or by general regulations, prescribe the placing of vent pipes in a pipe line at such locations, in such manner and of such kind as the Minister determines. (1955, c.38, s.36)

Vent pipes

35. A person who wilfully does any damage to, or otherwise obstructs, hinders or embarrasses the construction, completion, maintaining or repairing of, a pipe line for which a permit has been granted, is guilty of an offence under this Act. (1952, c.67, s.34)

Offence to hinder construction of pipe line



36. A person who contravenes the terms of an order made pursuant to this Act, or of a provision of this Act, or of a regulation is guilty of an offence and liable upon summary conviction to a fine, that

Penalties

- (a) in the case of a corporation shall be not more than one thousand dollars for a single offence or one hundred dollars a day for a continuing offence, or
- (b) in the case of a natural person shall be not more than one hundred dollars for a single offence or twenty dollars a day for a continuing offence. (1952, c.67, s.35)

SCHEDULE

Schedule

FORM I

(Section 4)

PUBLIC NOTICE UNDER THE PIPE LINE ACT

Any objection to the route of the pipe line must be filed in writing with the Minister of Mines and Minerals at Edmonton, Alberta, and with the Oil and Gas Conservation Board at Calgary, Alberta, on or before the said date.

	DATED a	it	0000	0 0 0	000	this	 000	.day	of	 0 0 0	0 0	• •	
A.D.	19							_					

Applicant.

(1957, c.66, s.27)







Map showing Main Oil and Gas Lines

( Not included )







### THE MINERAL TAXATION ACT

## **CHAPTER 203**

# An Act to Provide for the Assessment and Taxation of Minerals

**1.** This Act may be cited as "The Mineral Taxation Act". Short title [1947, c. 10, s. 1]

### 2. In this Act,

Interpretation

- (a) "assessor" means a person appointed by the Lieu- "assessor" tenant Governor in Council to perform the duties of an assessor prescribed by the Act;
- (b) "certificate of title" means a certificate of title of title issued pursuant to the provisions of *The Land Titles*Act;
- (c) "Commission" means the Alberta Assessment Com- "Commission mission constituted under the provisions of The Alberta Municipal Assessment Commission Act;
- (d) "Department" means the Department of Mines and "Department" Minerals;
- (e) "Deputy Minister" means the Deputy Minister of "Deputy Mines and Minerals;
- (f) "mineral" "mineral"
  - (i) means the right existing in a person by virtue of a certificate of title to work, win and carry away any mineral or minerals within, upon or under the area described in the certificate of title, and also any mineral or minerals that are found to exist within upon or under any land, but
  - (ii) does not include sand and gravel that belong to the owner of the surface of land by virtue of *The Sand and Gravel Act*:
- (g) "Minister" means the Minister of Mines and "Minister" Minerals;
- (h) "owner" means a person who is registered in a land "owner" titles office as the owner, part owner or one of joint owners of an estate in fee simple in any mineral or minerals whether or not the title to the mineral or minerals is severed in the registry from the title to the surface;

#### MINERAL TAXATION

fax on principal mineral

- 8. (1) Every owner of a principal mineral in a producing area is liable to be assessed and to pay a tax levied on the principal mineral under the provisions of this Act.
- (2) The tax referred to in subsection (1) is in addition to and not in substitution for the tax imposed by subsection (1) of section 4. [1947, c. 10, s. 8; 1953, c. 74, s. 5]

Appointment of chief assessor **9.** (1) The Lieutenant Governor in Council may from time to time appoint a chief assessor for the purpose of this Act and prescribe his remuneration.

Assessment of principal minerals

- (2) In each year before the first day of June the chief assessor
  - (a) shall assess at the fair actual value each principal mineral in each producing area in the Province, and
  - (b) shall cause to be prepared an assessment roll setting out thereon
    - (i) a brief description of the mineral or minerals assessed,
    - (ii) the names and addresses of the owners thereof, and
    - (iii) the assessed values thereof.
  - (3) In making an assessment, the chief assessor may
    - (a) take any steps that he considers necessary for the purpose of ascertaining the fair actual value of the assessed minerals,
    - (b) resort to all sources of available information for that purpose, and
    - (c) subject to subsection (5), fix such amount as appears to him to be just and equitable.

Allocation of specified area to producing well (4) The Minister by order published in *The Alberta Gazette* may from time to time allocate to a producing well a specified area for the purpose of computing the value in accordance with Schedule A.

Fair actual value of mineral

(5) For the purposes of subsection (2) the fair actual value of a mineral for which a method of computing the value is provided by Schedule A is the value computed pursuant to that method.

Right of entry

(6) The chief assessor or a person duly appointed by him may for a purpose relating to an assessment enter upon and inspect any land or property.

[1947, c. 10, s. 9; 1950, c. 41, s. 1; 1953, c. 74, s. 6]

Unit operation agreement

10. (1) If an arrangement is made whereby a mineral within an area comprising more than one tract is to be developed by unit operation of the area, or if such an arrangement is amended or terminated, then a copy of the agreement, order or other document setting out the arrange-

ment under which the unit operation is to be conducted, or the amendment or termination thereof, shall be filed with the chief assessor.

(2) If the unit operation is for the purpose of producing Approval of Conservapetroleum or natural gas, the agreement, order or other tion Board document shall be accompanied by a duplicate of the order or direction of the Petroleum and Natural Gas Conservation Board, appointed under The Oil and Gas Resources Conservation Act, approving the unit operation.

(3) If an agreement, order or other document setting Assessing unit out an arrangement has been filed before the thirty-first operation day of March in any year, the Minister during such year

- (a) may adopt a unit as such for the purpose of assessment of the fair actual value of tracts comprised in the unit area:
- (b) may, where a part of the unit area is comprised within a producing area, authorize the chief assessor to assess all tracts within the unit area as if they were in the producing area, and
- (c) may allocate the production of each mine or well within the unit area to the whole of the unit area, and authorize the chief assessor to attribute the production among the tracts within the area in such manner as he sees fit. [1954, c. 64, s. 2]
- 11. Upon the completion of the assessment roll the chief and delivery assessor shall endorse thereon or attach thereto a certificate of assessment roll setting out the date upon which the roll was so completed, and shall sign the roll and deliver it to the Deputy Minister. [1947, c. 10, s. 10; 1953, c. 74, s. 7]

12. The Deputy Minister on receipt of the assessment Posting of assessment roll shall

roll and

- (a) cause a copy of the assessment roll and of the assessment notices certificate endorsed thereon to be posted up in a conspicuous place to which the public has access
  - (i) in the Department at Edmonton, and
  - (ii) in the Land Titles Office at Calgary,
- (b) keep the copy of the assessment roll and the certificate so posted up for twenty days, and
- (c) within ten days after the posting up of the copy of the assessment roll and the certificate in the Department at Edmonton cause to be sent by mail to each owner whose name appears on the assess-
  - (i) an assessment notice containing the particulars appearing in the assessment roll with respect to the mineral or minerals assessed, and

(ii) a copy of subsection (1) of section 13. [1947, c. 10, s. 11; 1949, c. 65, s. 4]

Appeal re assessment 13. (1) An owner whose name appears upon the assessment roll may, upon giving the Commission and the Deputy Minister notice in writing after the date upon which the assessment notice is mailed and on or before the thirty-first day of July next following, appeal to the Commission, and may on such appeal apply

(a) to have the assessment roll varied and to have altered an assessment shown thereon that the owner alleges to have been wrongfully made or improperly assessed, or to be too high or too low, or

- (b) to have any minerals assessed that the owner alleges are liable to be and have not been assessed, and to have such minerals included in the assessment roll.
- (2) The Deputy Minister may, upon giving the Commission notice in writing within thirty days after the date of posting the copy of the assessment roll and the certificate in the Department at Edmonton, appeal to the Commission, and on such appeal may apply
  - (a) to have the assessment roll varied and to have altered any assessment shown thereon that the Deputy Minister alleges to have been wrongfully made or improperly assessed, or to be too high or too low, or
  - (b) to have any minerals assessed that the Deputy Minister alleges are liable to be and have not been assessed, and to have such minerals included in the assessment roll.
- (3) If, at any time before the thirty-first day of July, it appears from an appeal or otherwise that any minerals were assessed in the name of the wrong person as owner and that the name of another person should be placed on the assessment roll as owner, the Deputy Minister
  - (a) shall appeal to the Commission to vary the assessment roll accordingly, and
  - (b) shall cause to be sent by mail to the other person whose name should be placed upon the assessment roll a copy of the notice of appeal, an assessment notice containing the particulars appearing in the assessment roll with respect to the minerals assessed and a copy of section 13.
- (4) Where proceedings are taken under subsection (3) to include upon the assessment roll the name of a person, that person may appeal to the Commission in the same manner and upon the same grounds as if his name had appeared upon the assessment roll when endorsed by the chief assessor.

- (5) A person entitled to appeal under subsection (4) may give his notice in writing to the Commission and the Deputy Minister
  - (a) on or before the thirty-first day of July, next following, if the notice prescribed by subsection (3) is sent from the office of the Deputy Minister on or before the fifteenth day of July, or
  - (b) within fifteen days from the date on which the notice prescribed by subsection (3) is sent from the office of the Deputy Minister, if such notice is sent after the fifteenth day of July.

[1947, c. 10, s. 12; 1954, c. 64, s. 3]

- 14. (1) As soon as practicable after the thirty-first day Hearing of of July in each year, the Commission
  - (a) shall hear all appeals duly filed by owners of minerals and by the Deputy Minister, and
  - (b) shall make such disposition of the appeals as the Commission deems just.
- (2) The provisions of subsections (7) and (8) of section 24 and sections 33 to 39 and sections 41 to 43 of The Alberta Municipal Assessment Commission Act apply, mutatis mutandis and except as varied by this Act, to any such appeal. [1947, c. 10, s. 13]
- 15. (1) When the Commission has disposed of the ap-Revision of peals mentioned in section 14, the Commission

assessment

- (a) shall revise the assessment roll in accordance with the disposition made by the Commission of the appeals, and
- (b) shall cause to be attached to the assessment roll so revised a certificate which may be in Form A in Schedule B.
- (2) The assessment roll revised under subsection (1) and each assessment, matter or thing set out therein and the certificate attached thereto
  - (a) is conclusive and binding upon all owners mentioned therein or affected thereby, and
  - (b) shall not be questioned in any proceedings in any court as to any statement, matter or thing contained therein. [1947, c. 10, s. 14]
- 16. (1) Each year upon delivery of the assessment roll Levying tax and after appeal and revision, if any, the Deputy Minister minerals shall proceed to levy a tax upon the assessed value of all principal minerals in each producing area on the assessment roll as certified by the chief assessor or by the Commission and at such rate or rates on the dollar as the Lieutenant Governor in Council may from time to time direct.

## Chap. 203

#### MINERAL TAXATION

(2) The rates of tax may vary with respect to different minerals in a producing area.

[1947, c. 10, s. 15; 1953, c. 74, s. 7]

Minimum

17. If the tax that an owner would have to pay under section 16 with respect to a tract is less than one dollar, the amount payable is one dollar. [1947, c. 10, s. 16]

Tax notice

- 18. When the Lieutenant Governor in Council has fixed the rate, the Deputy Minister shall forthwith cause to be sent by mail to each person whose name appears on the assessment roll as the owner of any assessable mineral or minerals a notice
  - (a) describing the mineral or minerals assessed,
  - (b) stating the amount of tax payable to the Minister in respect of the mineral or minerals,
  - (c) containing a demand for the payment of the tax by a specified date, and
  - (d) containing a statement of the penalties outlined in subsection (1) of section 23. [1947, c. 10, s. 17]

Owner of specified interest

- 19. (1) Where an owner is registered in a land titles office as the owner of a specified undivided interest of less than the whole in a mineral or minerals, any assessment, taxation or proceedings authorized with respect to a mineral or minerals by this Act may be made, levied or taken with respect to his interest in the mineral or minerals in the same manner as if he wholly owned the mineral or minerals and without regard to any other owner of an interest in, or title affecting, the mineral or minerals.
- (2) Where more than one owner is registered in a land titles office as the owner jointly or in common of a mineral or minerals, or as the owner jointly or in common of a specified undivided interest of less than the whole in a mineral or minerals all such owners shall be regarded as one owner for the purposes of this Act. [1953, c. 74, s. 8]

Registration of transfer, etc.

20. Subject to section 27, the Registrar shall not accept a transfer, transmission, mortgage, lease or assignment of lease to be registered against a title for a mineral or minerals unless a tax receipt from the Department, or a tax certificate from the Deputy Minister, is filed with the Registrar showing in either case that there are no taxes owing under this Act with respect to the mineral or minerals.

[1947, c. 10, s. 18; 1953, c. 74, s. 9]

Tax certificate

- 21. The Deputy Minister or a duly authorized officer, clerk or servant of the Department shall
  - (a) if requested make a search in the assessment or tax roll in respect of an assessable or taxable mineral or minerals, and

- (b) if required, upon receipt of a fee of fifty cents, give a certificate under his hand showing
  - whether or not all taxes in respect of the mineral or minerals described in a certificate of title have been paid, and
  - (ii) if such taxes are not paid, the amount of current taxes and arrears payable with respect to the mineral or minerals.

[1947, c. 10, s. 19; 1950, c. 41, s. 2]

22. The Registrar shall at the end of each month furnish Statement re changes of the Deputy Minister with a statement showing all changes ownership of ownership of a mineral or minerals that have occurred during the preceding month, and in each such case showing

- (a) the name of the registered owner,
- (b) the mineral or minerals transferred,
- (c) a brief description of the area according to the certificate of title, and
- (d) the date of registration of the transfer. [1947, c. 10. s. 20]

- 23. (1) Where a tax is imposed under section 16 and Penalty for taxes the whole or a part thereof, remains unpaid after the expiration of six months from the date of mailing of the notice referred to in section 18, there shall be added thereto by way of penalty a sum equal to five per cent of the unpaid
- (2) Where the taxes and penalties or a part thereof remain unpaid after the expiration of a further period of six months, there shall be added thereto an additional five per cent of the unpaid taxes and penalties.
- (3) Where a tax is imposed under section 4 and the whole or a part thereof remains unpaid after the thirty-first day of December in any year, there shall be added thereto after the expiration of six months a sum equal to five per cent of the unpaid taxes.
- (4) Where the taxes and penalties or a part thereof referred to in subsection (3) remain unpaid after the expiration of a further period of six months, there shall be added thereto an additional five per cent of the unpaid taxes and penalties.
- (5) Amounts added by way of penalty under any of the foregoing subsections form part of the taxes due.
- (6) Nothing in this section extends the time for payment of the taxes nor impairs a remedy provided by this Act for [1947, c. 10, s. 21] the collection of taxes.
- 24. (1) The taxes and penalties payable by a person Taxes, et debt due to Crown pursuant to this Act
  - (a) shall be deemed to be a debt due to the Crown, and

(b) are recoverable as such in the Supreme Court of Alberta or in any other court of competent jurisdiction in the name of the Crown represented by the Minister.

Taxes a charge on mineral

- (2) The taxes and penalties constitute a charge upon the mineral or minerals in respect of which they are payable.
- (3) Such charge has priority over other charges, mortgages, liens or encumbrances except a lien for wages filed under the provisions of The Mechanics' Lien Act. [1947, c. 10, s. 22]

- owner when minerals are one year in arrears, whether under the protax one year visions of this Act or a previous Mineral manneral manneral manner with the protection of the p Deputy Minister, Assistant Deputy Minister or chief assessor may send a notice by registered mail to the owner, at the address set out in the certificate of title covering the mineral or minerals, advising him that unless all taxes and penalties due and owing at the time of payment with respect to the mineral or minerals are paid within one year from the date of the mailing of this notice, his certificate of title may be cancelled with respect to such mineral or minerals and title vested in the Crown.
  - (2) The Deputy Minister, Assistant Deputy Minister or chief assessor, within thirty days after mailing such a notice to an owner, shall deliver or mail to the Registrar a notification in duplicate stating
    - (a) the name of the owner to whom the notice was sent,
    - (b) the address of the owner to which the notice was sent, and
    - (c) the description of the land to which the notice re-
  - (3) The notification delivered or mailed to the Registrar by the Deputy Minister, Assistant Deputy Minister or chief assessor may be in such form as the Deputy Minister may prescribe.
  - (4) Where a notification relates to more than one owner to whom notices have been sent, the names of the owners, their addresses and the descriptions of their lands may be contained in a schedule to the notification.
    - (5) The Registrar shall
    - (a) file the notification,
    - (b) endorse a memorandum thereof upon the certificate of title to any land described in the notification,
    - (c) return the duplicate copy of the notification to the Deputy Minister.

- (6) Unless the taxes have been paid, the Deputy Min-Warning of cancellation ister within six months after the mailing of a notice to an owner pursuant to subsection (1) shall cause to be published in one issue of The Alberta Gazette a "Warning of Impending Cancellation of Title to Minerals".
- (7) The warning may be in Form B in Schedule B and shall contain
  - (a) the number of the certificate of title in which the mineral or minerals is contained,
  - (b) the name of the registered owner to whom the notice was sent,
  - (c) the address of the registered owner to which the notice was sent,
  - (d) the description of the land to which the warning referred, and
  - (e) the date after which the title may be cancelled if taxes and penalties remain unpaid.
- (8) If all taxes and penalties due under this Act together with a fee of three dollars for each certificate of title affected are paid to the Deputy Minister by or on behalf of the owner within one year after the date of the mailing of the notice under subsection (1), the Deputy Minister shall
  - (a) pay the fee of three dollars for each certificate of title affected to the Registrar of the appropriate land titles office, and
  - (b) instruct the Registrar to discharge the tax arrears notification in respect of each such certificate of title.
- (9) The Registrar shall discharge the tax arrears notification forthwith and shall make a memorandum thereof upon each certificate of title affected.
- (10) If at the expiration of one year after the date of Cancellation the mailing of the notice under subsection (1) the taxes of title and penalties due and owing with respect to the mineral or minerals and the fee of three dollars to discharge the tax arrears notification have not been paid, the Deputy Minister, Assistant Deputy Minister or chief assessor may deliver or mail to the Registrar a notice in Form C in Schedule B and upon receipt of any such notice the Registrar shall cancel the certificate of title of the owner with respect to such mineral or minerals.

- (11) When the certificate of title to a mineral or minerals is so cancelled the title to the mineral or minerals vests, free and clear of encumbrances, in the Crown in the right of the Province as represented by the Minister.
- (12) When any mineral or minerals for which any prospecting, exploring, drilling or mining operations have at any time been conducted is or are vested in the Crown pur-

suant to subsection (11), all installations and fixtures, including casing placed within, upon or under the tract in connection with such operations, and being there when the mineral or minerals vested in the Crown, also vest in the Crown free and clear of all encumbrances and become the property of the Crown in the right of the Province as represented by the Minister, irrespective of

- (a) whether or not the casing, installations or fixtures were the property of the owner of the mineral or minerals, and
- (b) whether or not any notice has been delivered or sent to any person owning or having any interest in the casing, installations or fixtures.

[1947, c. 10, s. 23; 1948, c.

34, s. 1; 1949, c. 65, s. 5; 1950, c. 41, s. 3; 1953, c. 74, s. 10]

Minerals

- 26. (1) Until the certificate of title of the owner with respect to the mineral or minerals has been cancelled and title has vested in the Crown under section 25, the mineral or minerals shall continue to be assessed and taxed, or taxed, as the case may be.
- (2) At the time of payment of taxes there shall be added thereto, until the date of payment, interest at the rate of five per cent per annum on all unpaid taxes from the date when the second penalty thereon became due under section 23 of this Act, or a previous *Mineral Taxation Act*.

[1947, c. 10, s. 24; 1948, c. 34, s. 2]

Transfer to Crown of title to mineral

- 27. (1) An owner whose title to a mineral or minerals is free and clear of encumbrances other than a charge under section 24 may with the prior consent of the Minister transfer the title to the mineral or minerals to the Crown.
- (2) Where there is a transfer of title to a mineral or minerals under subsection (1), the title vests in the Crown, upon the cancellation by the Registrar of the certificate of title of the owner with respect to such mineral or minerals.
- (3) Where the title vests in the Crown under subsection (2), the taxes and penalties outstanding against the mineral or minerals under the provisions of this Act, and any previous *Mineral Taxation Act*, shall be cancelled.
- (4) A person who is the holder of an instrument that upon registration would vest title to a mineral or minerals in him may transfer the mineral or minerals to the Crown upon the terms and conditions applicable to an owner under the foregoing subsections, if the instrument vesting title in him and the transfer to the Crown are submitted for registration at the same time.

[1947, c. 10, s. 25; 1948, c. 34, s. 3; 1950, c. 41, s. 4]

28. (1) If anything to be done within a number of days Extension of time or at or before a time fixed by or under this Act cannot be or is not so done, the Minister may from time to time by order appoint a further or other time for doing it, whether the time at or before or within which it ought to have been done has or has not arrived or expired, as the case may be.

(2) Anything done at or before or within the time specified in such order is as valid as if it had been done at or before or within the time fixed by or under this Act.

1947, c. 10, s. 27

**29.** The Lieutenant Governor in Council may make such Rules and rules and regulations as are necessary or convenient for the purpose of carrying out the provisions of this Act. [1947, c. 10, s. 28]

## SCHEDULE A

1. The fair actual value for the purpose of assess-Schedule ment in any year of the petroleum within, upon or under the land allocated by the Minister to a well producing petroleum or petroleum and natural gas shall be one and one-half times the value at the average field price during the first three months of the year in which the assessment is made of all petroleum produced from the well during the preceding year.

Provided that where a well has produced petroleum for part only of the preceding year the production of petroleum for the preceding year shall be deemed to be the amount that the well would have produced had it been producing for the full year at the same rate as it produced during the part of the year it was in production.

2. The fair actual value for the purpose of assessment in any year of the natural gas within, upon or under the land allocated by the Minister to a well producing either natural gas alone or both petroleum and natural gas shall be four times the value at three cents per thousand cubic feet of the natural gas produced from the well during the preceding year.

Provided that where in any year the well has produced natural gas for part only of the preceding year the production of natural gas for the preceding year shall be deemed to be the amount that the well would have produced had it been producing for the full year at the same rate as it produced during the part of the year it was in production.

3. The fair actual value for the purpose of assessment in any year of the coal within, upon or under any tract from which any coal has been recovered in the preceding year shall be an amount equal to three times the value at ten cents per ton of all coal recovered from the tract in the year immediately preceding the year of the assessment.

Provided that where the owner establishes to the satisfaction of the assessor that the amount of coal within, upon or under a tract is less than an amount equal to three times the amount recovered from the tract in the year immediately preceding the year of the assessment, the fair actual value of the coal within, upon or under the tract shall be the value of ten cents per ton of the amount of coal so established to the satisfaction of the assessor to be within, upon or under the tract.

[1947, c. 10, Schedule]

#### SCHEDULE B

Form A

## FORM A

(Section 15)

"This is to certify that the assessment roll hereto annexed is the assessment roll for the year 19..... as revised by the Alberta Assessment Commission.

> Chairman of the Alberta Assessment Commission." [1947, c. 10, s. 14]

Form B

#### FORM B

(Section 25)

# WARNING OF IMPENDING CANCELLATION OF TITLE TO MINERALS

Certificate of Title No.	Name of Registered Owner	Address of Registered Owner	Description of Land	Date after which Title may be cancelled

Deputy Minister of Mines and Minerals. [1949, c. 65, s. 7]

FORM C

Form C

(Section 25)

#### NOTICE

Take notice pursuant to section 25 of *The Mineral Taxation Act*, as amended from time to time, that in respect of the mineral or minerals contained in each certificate of title set out in the Schedule attached to this Notice, you are required to cancel the certificate of title of the owner in respect of the mineral or minerals contained in each certifi-

cate of title set out in the said Schedule, whereupon pursuant to the said section title, to the said mineral or minerals, free and clear of all encumbrances will vest in the Crown in the right of the Province of Alberta as represented by the Minister of Mines and Minerals.

Deputy Minister of Mines and Minerals. [1947, c. 10, Schedule, Form A; 1948, c. 34, s. 4; 1949, c. 65, s. 7]



## 1957

## CHAPTER 50

## An Act to amend The Mineral Taxation Act

(Assented to April 11, 1957)

LIER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

- **1.** The Mineral Taxation Act, being chapter 203 of the Revised Statutes of Alberta, 1955, is hereby amended.
  - **2.** Section 2 is amended

Section 2

- (a) by striking out clause (c) and by substituting the following:
  - "(c) "Board" means the Alberta Assessment "Board" Appeal Board appointed pursuant to The Assessment Appeal Board Act;",
- (b) as to clause (i)
  - (i) by adding immediately after the words "at any time" in subclauses (ii) and (iii) the words "during the preceding year",
  - (ii) by striking out subclauses (iv) and (v),
- (c) by relettering clause (l) as clause (m),
- (d) by adding immediately after clause (k) the follow-
  - "(l) "Superintendent" means the person appointed "Superintendent" as Superintendent of Mineral Tax pursuant to The Department of Mines and Minerals Act:".

- 3. Section 4 is amended by striking out subsection (2) Section 4 and by substituting the following:
- "(2) No tax is payable under this section with respect to any mineral or minerals in a tract wholly within the boundaries existing at the thirty-first day of December, 1956, of any city, town or village.".
  - 4. Section 10, subsection (2) is amended

Section 10 amended

- (a) by striking out the words "Petroleum and Natural" and by substituting the words "Oil and",
- (b) by striking out the word "Resources".
- 5. Section 13 is amended by striking out the words "the Section 13 Commission" wherever they occur in subsections (1), (2),

(3), (4) and (5) and by substituting the words "the Board".

Section 14 amended

- 6. Section 14 is amended
  - (a) as to subsection (1) by striking out the words "the Commission" and by substituting the words "the Board",
  - (b) by striking out subsection (2).

Section 15

7. Section 15, subsection (1) is amended by striking out the words "the Commission" and by substituting the words "the Board".

Section 16 amended 8. Section 16, subsection (1) is amended by striking out the words "the Commission" and by substituting the words "the Board".

Section 20 amended Cancellation of titles

- 9. Section 20 is struck out and the following substituted:
- "20. Where a tax arrears notification has been filed by the Registrar pursuant to subsection (5) of section 25, the Registrar shall not cancel the certificate of title to the mineral or minerals affected by the notification until it is discharged, except only under section 25 or section 27.".

Section 23 amended **10.** Section 23 is struck out and the following substituted:

Penalties

- "23. (1) Where a tax is imposed under section 16 and the whole or any part thereof remains unpaid after the thirty-first day of March in the year following the date of mailing of the notice referred to in section 18, there shall be added thereto by way of penalty a sum equal to five per cent of the unpaid tax.
- "(2) Where a tax is imposed under section 4 and the whole or any part thereof remains unpaid after the thirty-first day of March in the following year there shall be added thereto by way of penalty a sum equal to five per cent of the unpaid tax.
- "(3) When a penalty is added under subsection (1) or subsection (2)
  - "(a) the penalty forms part of the taxes due, and
  - "(b) the taxes remaining unpaid are in arrears.
- "(4) Nothing in this section extends the time for payment of the taxes nor impairs a remedy provided by this Act for the collection of taxes.".

Section 25 amended

- 11. Section 25 is amended
  - (a) as to subsection (1) by striking out the words "chief assessor" and by substituting the word "Superintendent",
  - (b) by adding immediately after subsection (1) the following:
    - "(1a) When a notice is sent under subsection (1), a copy thereof shall be mailed by the Superintendent

to each person shown by memorandum on the certificate of title as having an interest in the mineral or minerals at his address indicated in the document referred to in the memorandum.".

- (c) as to subsection (2)
  - (i) by striking out the words "chief assessor" and by substituting the word "Superintendent",
  - (ii) by adding immediately after the words "the Registrar a" the words "tax arrears",
- (d) as to subsection (3)
  - (i) by striking out the words "The notification" and by substituting the words "The tax arrears notification",
  - (ii) by striking out the words "chief assessor" and by substituting the word "Superintendent",
- (e) as to subsection (4) by adding immediately after the words "Where a" the words "tax arrears",
- (f) as to subsection (5) by striking out the words "the notification" in clauses (a), (b) and (c) and by substituting the words "the tax arrears notification",
- (g) as to subsection (10)
  - (i) by striking out the words "chief assessor" and by substituting the word "Superintendent",
  - (ii) by adding immediately after the words "mineral or minerals" at the end of the subsection, the words "notwithstanding any other Act".
- **12.** Section 26 is amended by striking out subsection (2) Section 26 amended and by substituting the following:
- "(2) Where taxes or any part thereof are in arrears interest shall be charged thereon at the time any payment is made, at the rate of five per cent per annum calculated quarterly.
- "(3) A payment made on account of taxes with respect to a mineral or minerals in a tract shall be applied
  - "(a) firstly, on the interest charged, if any,
  - "(b) secondly, on the taxes in arrears, if any, and
  - "(c) thirdly, on current taxes.".

#### **13.** Schedule A is amended

Schedule A amended

- (a) by striking out the proviso to paragraph 1,
- (b) by striking out the proviso to paragraph 2.

## 14. Schedule B is amended

Schedule B amended

- (a) as to Form A
  - (i) by striking out the words "the Alberta Assessment Commission" and by substituting the words "the Alberta Assessment Appeal Board",
  - (ii) by striking out the words "the Alberta Assess-

ment Commission" and by substituting the words "the Alberta Assessment Appeal Board",

(b) as to Form C by striking out the words "(or Assistant Deputy Minister or Chief Assessor, as the case may be)" and by substituting the words "(or Assistant Deputy Minister or Superintendent, as the case may be)".

#### Present Act amended

- **15.** The Mineral Taxation Act, 1947, being chapter 10 of the Statutes of Alberta, 1947, is hereby amended
  - (a) as to section 2, clause (j)
    - (i) by adding immediately after the words "at any time" in subclause (ii) the words "during the preceding year",
    - (ii) by striking out subclause (iii),
  - (b) as to the Schedule
    - (i) by striking out the proviso to paragraph 1,
    - (ii) by striking out the proviso to paragraph 2.

## Coming into force

- **16.** (1) Section 15 and this section come into force on the day upon which this Act is assented to and upon so coming into force, section 15 shall be deemed to have been in force at all times on and after the first day of January, 1957.
- (2) Sections 1 to 14 inclusive come into force and section 15 is repealed on the day upon which the Revised Statutes of Alberta, 1955, come into force.







